

3845. Also, petition of 25 citizens of Norman and Red Lake Counties, Minn., urging the House of Representatives not to concur in the passage of the compulsory Sunday observance bill (S. 3218), nor to pass any other religious legislation that may be pending; to the Committee on the District of Columbia.

SENATE

THURSDAY, February 19, 1925

(Legislative day of Tuesday, February 17, 1925)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore (Mr. CUMMINS). The Senate will receive a message from the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2357) for the relief of the Pacific Commissary Co.

The message also announced that the House had passed the bill (S. 3173) to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial in the city of Washington to an appropriate point in the State of Virginia, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker of the House had affixed his signature to the following enrolled bills and joint resolutions, and they were thereupon signed by the President pro tempore:

H. R. 10471. An act authorizing the Postmaster General to permit the use of precanceled stamped envelopes;

H. R. 11725. An act to legalize a pier and wharf in York River at Gloucester Banks, near Gloucester Point, Va.;

S. 2397. An act to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects;

S. 2718. An act to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable*;

S. 2835. An act to amend an act entitled "An act authorizing insurance companies or associations and fraternal beneficiary societies to file bills of interpleader," approved February 22, 1917;

S. 3793. An act to authorize the appointment of commissioners by the Court of Claims and to prescribe their powers and compensation;

S. 4152. An act to authorize the Secretary of War to grant a perpetual easement for railroad right of way over and upon a portion of the military reservation on Anastasia Island, in the State of Florida;

S. J. Res. 172. Joint resolution to authorize the appropriation of certain amounts for the Yuma irrigation project, Arizona, and for other purposes;

S. J. Res. 95. Joint resolution to authorize the American National Red Cross to continue the use of temporary buildings now erected on square No. 172, Washington, D. C.;

S. 3630. An act authorizing the Secretary of War to convey to the Federal Land Bank of Baltimore certain land in the city of San Juan, P. R.;

S. 3760. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes;

S. 3648. An act granting to the county authorities of San Juan County, State of Washington, a right of way for county roads over certain described tracts of land on the abandoned military reservations on Lopez and Shaw Islands, and for other purposes;

S. 3895. An act to authorize the coinage of silver 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the Battle of Bennington and the independence of Vermont, in commemoration of the seventy-fifth anniversary of the admission of California into the Union, and in commemoration of the one hundredth anniversary of the founding of Fort Vancouver, State of Washington;

S. 2287. An act to permit the Secretary of War to dispose of and the Port of New York Authority to acquire the Hoboken Manufacturers' Railroad; and

S. 1918. An act to consolidate the office of public buildings and grounds under the Chief of Engineers, United States Army, and the office of superintendent of the State, War, and Navy Department Buildings.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Irrigation and Reclamation:

House joint memorial 1 (introduced by Dellwo) to the Congress of the United States calling attention to the urgency of accelerating construction work upon the Flathead irrigation project, and making further and adequate appropriations therefor

IN THE HOUSE

January 8, 1925: Read first and second time and referred to committee on irrigation and water rights.

January 14, 1925: Committee recommends that bill do pass. Report adopted and referred to printing committee.

January 15, 1925: Reported correctly printed. Report adopted and referred to general orders.

January 16, 1925: Recommended favorably by committee of whole. Report adopted and referred to engrossing committee.

January 22, 1925: Reported correctly engrossed. Report adopted and referred to calendar for third reading.

January 23, 1925: Read three several times and passed. Title agreed to. Transmitted to senate for its concurrence.

IN THE SENATE

January 26, 1925: Read first and second time and referred to committee on irrigation and water rights.

January 28, 1925: Committee recommends that bill be concurred in. Report adopted. Bill referred to general file.

January 29, 1925: Committee of the whole recommends that bill be concurred in. On motion segregated and rereferred to committee on irrigation and water rights.

February 2, 1925: Committee recommends that bill be concurred in as amended. Report adopted. Bill referred to general file.

February 3, 1925: Committee of the whole recommends that bill be concurred in. Report adopted. Bill referred to calendar for third reading.

February 4, 1925: Read third time and concurred in as amended. Title agreed to. Returned to house.

IN THE HOUSE

February 5, 1925: Placed on general orders for concurrence in senate amendments. Committee of whole recommends bill be concurred in as amended. Report adopted. Referred to engrossing committee.

February 6, 1925: Reported correctly engrossed. Report adopted and referred to calendar for third reading. Read three several times and passed. Title agreed to. Referred to enrolling committee.

February 7, 1925: Reported correctly enrolled.

A memorial to the Congress of the United States calling attention to the urgency of accelerating construction work upon the Flathead irrigation project, and making further and adequate appropriations therefor

To the honorable Senate and House of Representatives of the United States in Congress assembled:

SECTION 1. Whereas it has been brought to the notice of the legislative body of the State of Montana that upon the Flathead project, an irrigation project being constructed and operated by the United States Indian Reclamation Service in the lower Flathead Valley, a shortage of water for irrigation purposes has existed during the past season on account of the delay in completing said project; and

Whereas it is the conviction of this body that profitable crops can not be produced upon this project without irrigation, and that there is an ample supply of water available upon the completion of said project; and

Whereas farmers and business men settled upon said project almost 15 years ago with the assurance that its works would be completed and placed in full operation without unnecessary delay. They have sacrificed from 10 to 14 years of their lives, together with capital brought in from former enterprises. They have demonstrated, with the limited supply of water at their disposal, that profitable crops can be raised if they are assured an ample supply of water for irrigation purposes; and

Whereas this development and the influx of new settlers taking place at present creates a need for water for irrigation purposes which is imperative: Therefore be it

Resolved by the Nineteenth Legislative Assembly of the State of Montana, That ordinary justice to, and a fair consideration for the right of, the farmers and business men aforesaid demand that no cur-

failure in construction on account of lack of funds be permitted at this time, and that sufficient money should be provided to carry on construction work upon said project in anticipation of all probable water requirements; and be it further

Resolved, That Congress be respectfully memorialized and petitioned, and it is hereby memorialized and petitioned, to appropriate not less than \$150,000, to be used during the current fiscal year for construction work upon the Flathead project, and that work on said project in the future be completed without any unnecessary delay.

Sec. 2. *Be it further resolved*, That copies of this memorial be transmitted by the secretary of state to the President of the Senate, the Speaker of the House of Representatives, and to each of the Senators and Representatives from Montana.

D. M. BRICKER,
Speaker of the House.

W. S. McCORMACK,
President of the Senate.

I hereby certify that the within memorial originated in the house.

H. J. FAUST, *Chief Clerk.*

This bill was received by the governor this 13th day of February, 1925.

J. E. ERICKSON, *Governor.*
By WILL AIKEN,
Private Secretary.

Approved February 13, 1925.

Filed February 13, 1925, at 4.45 o'clock p. m.

C. T. STEWART,
Secretary of State.
By C. L. WALKER,
Deputy.

The PRESIDENT pro tempore also laid before the Senate the following joint memorial of the Legislature of Utah, which was referred to the Committee on Military Affairs:

STATE OF UTAH,
EXECUTIVE DEPARTMENT,
SECRETARY OF STATE'S OFFICE.

I, H. E. Crockett, secretary of state of the State of Utah, do hereby certify that the attached is a full, true, and correct copy of H. J. R. No. 3, by Mr. Hunt, memorializing Congress to take favorable action on Senate bill 4060, and H. R. 11555, which provides for suitable recognition for the services of Lieutenant Maughan, as appears on file in my office.

In witness whereof, I have hereunto set my hand and affixed the great seal of the State of Utah this 13th day of February, 1925.

[SEAL.]
H. E. CROCKETT,
Secretary of State.

H. J. R. No. 3. (By Mr. Hunt.) Memorializing Congress to take favorable action on Senate bill 4060, and H. R. 11555, which provides for suitable recognition for the services of Lieutenant Maughan

Whereas a native born son of Utah, Lieut. Russell L. Maughan, during the World War, distinguished himself for valor in combat with enemy aircraft over the battle fields in France; and

Whereas Lieutenant Maughan brought to the United States Air Service the world's championship for speed by winning the Pulitzer airplane speed contest; and

Whereas Lieutenant Maughan has brought further renown to his State and his country by performing the marvelous feat of crossing the United States by light of a single day, all of which redounds to the credit and well being of the people of the United States as well as being a distinct contribution to the science of flying; and

Whereas there has been introduced in the Senate of the United States, by Senator REED SMOOT and in the House of Representatives by Congressman DON B. COLTON, a bill that would offer suitable recognition for the services of Lieutenant Maughan; Therefore be it

Resolved, That the Legislature of the State of Utah, hereby memorialize the Congress of the United States to take favorable action on the above-described Senate bill 4060 and H. R. 11555, with the full conviction that the record of Lieutenant Maughan is a matter of national pride, and that his bravery, endurance, and successful navigation of the air should be thus fittingly recognized.

The foregoing H. J. R. No. 3, was publicly read by title and immediately thereafter signed by the president of the senate, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 12th day of February, 1925.

A. B. IRVINE,
President of the Senate.

H. L. CUMMINGS,
Secretary of the Senate.

Attest:

The foregoing resolution was publicly read by title and immediately thereafter signed by the speaker of the house in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 11th day of February, 1925.

WM. E. MCKELL,
Speaker of the House.

Attest:

E. L. CROPPER,
Chief Clerk of House.

Received and filed in the office of the secretary of state this 13th day of February, 1925.

H. E. CROCKETT,
Secretary of State.
By CHAS. HEINER, *Deputy.*

STATE OF UTAH,
EXECUTIVE DEPARTMENT,
SECRETARY OF STATE'S OFFICE.

I, H. E. Crockett, secretary of state of the State of Utah, do hereby certify that the attached is a full, true, and correct copy of H. C. M. No. 4, by Mr. Whittaker, memorializing Congress to make an appropriation for the investigation of Utah's potash deposits and experimentation on producing from them high-grade potassium salts, as appears on file in my office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Utah this 13th day of February, 1925.

[SEAL.]
H. E. CROCKETT,
Secretary of State.

H. C. M. No. 4. (By Mr. Whittaker.) Memorializing Congress to make an appropriation for the investigation of Utah's potash deposits and experimentation on producing from them high-grade potassium salts. Whereas there are in Utah vast deposits of potash at present not high grade enough to be commercially profitable; and Whereas the United States Bureau of Soils desires to conduct experiments on the potash deposits of the United States with a view to demonstrate that high-grade potassium salts can be produced from them; Therefore be it

Resolved by the Legislature of the State of Utah, That Congress be, and is hereby, memorialized to appropriate the sum of \$100,000 for the thorough investigation by either the United States Bureau of Soils or the United States Bureau of Mines, as it in its wisdom may decide, of the possibilities of producing high-grade potash salts in Utah.

The foregoing H. C. M. No. 4 was publicly read by title and immediately thereafter signed by the president of the senate in the presence of the house over which he presides and the fact of such signing duly entered upon the journal this 10th day of February, 1925.

A. B. IRVINE,
President of the Senate.

Attest:

H. L. CUMMINGS,
Secretary of the Senate.

The foregoing H. C. M. No. 4 was publicly read by title and immediately thereafter signed by the speaker of the house in the presence of the house over which he presides and the fact of such signing duly entered upon the journal this 10th day of February, 1925.

WM. E. MCKELL,
Speaker of the House.

Attest:

E. L. CROPPER,
Chief Clerk of House.

Received from the house of representatives this 10th day of February, 1925. Approved February 11, 1925.

GEO. H. DERN, *Governor.*

Received from the governor and filed in the office of the secretary of state this 11th day of February, 1925.

H. E. CROCKETT,
Secretary of State.
By CHAS. HEINER,
Deputy.

The PRESIDENT pro tempore also laid before the Senate the petition of sundry citizens of Guthrie Center, in the State of Iowa, praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

Mr. FLETCHER. Mr. President, I ask to have referred to the Committee on Manufactures and printed in the RECORD a telegram received from the Governor of Florida, with reference to the increased price of gasoline.

There being no objection, the telegram was referred to the Committee on Manufactures and ordered to be printed in the RECORD as follows:

TALLAHASSEE, FLA., February 17, 1925.

Hon. D. U. FLETCHER,

United States Senate, Washington, D. C.:

The people of Florida using motor cars have had forced upon them within recent weeks and in rapid succession three increases in price of gasoline totaling 6 cents on the gallon. From press reports this skyrocketing has been widespread, probably no section of the country escaping what appears to be an insatiable greed. Since the condition complained of is nation-wide and the Federal Government is in better position to deal with the situation than are the separate States, will you not, as a Senator of the United States, use your position to invoke the powers of the Federal Government to give the country the facts, and if increases are unwarranted and unjustified to grant that relief to which the people are entitled? The people of Florida will appreciate energetic action on the part of their Representatives in Congress in this matter.

JOHN W. MARTIN, Governor of Florida.

Mr. BURSUM presented the following joint memorial of the Legislature of New Mexico, which was referred to the Committee on Agriculture and Forestry:

STATE OF NEW MEXICO,
OFFICE OF THE SECRETARY OF STATE.
Certificate

I, Soledad C. Chacon, secretary of state of the State of New Mexico, do hereby certify, that there was filed for record in this office at 3.25 p. m., on the 12th day of February, A. D. 1925, Senate Joint Memorial No. 3, joint memorial of the Senate and House of Representatives of the State of New Mexico to the Congress of the United States, requesting the Congress to extend the authority of the Secretary of Agriculture under Senate Joint Resolution 52 so that advances or loans may be made to farmers in the drought-stricken areas of New Mexico for planting and raising crops during 1925, as passed by the Seventh State Legislature of the State of New Mexico and approved by the Governor of the State of New Mexico, February 12, 1925; and also, that I have compared the following copy of the same, with the original thereof on file and declare it to be a correct transcript therefrom and of the whole thereof.

Given under my hand and the great seal of the State of New Mexico, at the city of Santa Fe, the capital, on this 13th day of February, A. D. 1925.

[SEAL.]

SOLEDAD C. CHACON,
Secretary of State.

SEVENTH LEGISLATURE, STATE OF NEW MEXICO.

Senate joint memorial No. 3 (introduced by Mr. Lucero) of the Senate and House of Representatives of the State of New Mexico to the Congress of the United States, requesting the Congress to extend the authority of the Secretary of Agriculture under Senate Joint Resolution 52 so that advances or loans may be made to farmers in the drought-stricken areas of New Mexico for planting and raising crops during 1925

Whereas the funds appropriated by Senate Joint Resolution 52 passed by the Sixty-eighth Congress, first session, authorizing the Secretary of Agriculture to make advances or loans to farmers in the drought-stricken areas of New Mexico for the spring and fall planting of 1924 became available too late to enable many farmers to take advantage of it, and only \$400,000 of the \$1,000,000 appropriated was used for such loans; and

Whereas the conditions of drought in some of said areas continued during most of the season of 1924, and many farmers therein had to abandon their farms and seek employment elsewhere in order to support their families, and some farmers who received loans out of said fund did not realize enough out of their crops to repay the same; and

Whereas conditions of moisture throughout said areas are now such as to promise good crops for those who shall be able to plant, cultivate, and harvest them during the season of 1925, and if loans can be made to them in the manner provided in said resolution, many farmers will be enabled to return and till their farms: Now, therefore, be it

Resolved, That the Legislature of the State of New Mexico, respectfully and earnestly memorializes and requests the Congress of the United States to pass a like joint resolution at its present session continuing the authority of the Secretary of Agriculture, and make an appropriation of \$500,000 so that advances or loans may be made thereunder for the spring and fall planting of 1925; and be it further

Resolved, That two copies of this joint memorial be forwarded to the President of the Senate and Speaker of the House of Represen-

tatives of the United States, and to the Hon. A. A. JONES, and H. O. BURSUM, Senators, and the Hon. JOHN MORROW, Member of Congress from the State of New Mexico.

EDWARD SARGENT,
President of the Senate.

Attest:

A. J. FISCHER,
Chief Clerk of the Senate.

D. W. SMITH,
Speaker of the House of Representatives.

Attest:

J. O. MORRIS,
Chief Clerk of the House of Representatives.

Approved by me this 12th day of February, 1925.

A. T. HANNETT,
Governor of New Mexico.

Mr. OWEN presented the following resolutions adopted by the House of Representatives of the Legislature of the State of Oklahoma, which were referred to the Committee on Indian Affairs:

Engrossed house resolution 10 (by Sanders), memorializing the Congress of the United States to make a per capita payment to the Choctaw and Chickasaw Indians

Whereas by reason of the Government of the United States being the guardian of the persons and estates of the Choctaw and Chickasaw Indians of Oklahoma it has accumulated considerable amounts of money from the sale of royalties from coal and asphalt lands which belong to said Choctaw and Chickasaw Tribes of Indians; and

Whereas this money rightfully belongs to said Indians, having been derived from their own property, there should, if possible, at the very earliest date, be made to them a per capita payment: Now, therefore, be it

Resolved, That we will memorialize the Congress of the United States to investigate this matter, and if they have sufficient money on hand to make a liberal per capita payment that same be looked into immediately; be it further

Resolved, That copies of this resolution be mailed to each United States Senator and Member of Congress of the State of Oklahoma. Adopted by the house of representatives this the 2d day of February, 1925.

J. B. HARPER,
Speaker of the House of Representatives.

Correctly engrossed.

H. W. BROADBENT,
Chairman of Committee on Engrossing and Enrolling.

Engrossed house resolution 11 (by Sanders), memorializing the Congress of the United States to sell the mineral rights to the segregated coal and asphalt lands of the Choctaw-Chickasaw Nations, and for the final winding up of the affairs of the Choctaw-Chickasaw Tribes

Whereas nearly 25 years ago the Government of the United States and the Choctaw-Chickasaw Tribes of Indians entered, at Atoka, Indian Territory, into an agreement, otherwise known as a treaty, whereby the tribes of aforesaid agreed to take individual land allotments, and that all other property should remain as the property of the tribes in common, and included in said property held in common was approximately 450,000 acres of land bearing coal and asphalt deposits, which were reserved from individual allotments; and

Whereas a number of years ago the Congress of the United States provided for the sale of the segregated coal and asphalt lands, but provided for the separation of the surface and mineral rights; and

Whereas the mineral right to approximately 450,000 acres, valued at many millions of dollars, has never been disposed of, thereby delaying the final settlement and winding up of the affairs of these two great tribes; and

Whereas the Choctaw-Chickasaw Tribes have kept the faith of the Atoka and all other agreements, and have never violated any of the articles stipulated therein; and

Whereas the present conditions in at least a part of the Choctaw-Chickasaw Nations are deplorable, many aged tribesmen being in poverty and destitution, and the sale of the mineral rights would be of tremendous benefit to them and to every other member of the tribes, as well as to the State at large: Therefore be it

Resolved by the House of Representatives of the State of Oklahoma, That the United States Senators and each Member of the Congress from the State of Oklahoma are earnestly requested, as a solemn duty they owe a portion of their constituents, to urge and secure the speedy sale of the mineral rights in and to the segregated coal and asphalt lands of the Choctaw-Chickasaw Nations, and that a final settlement

be made by the United States Government, and the affairs of said tribes be fully wound up and all money deposited with the United States Government be distributed.

Adopted by the house of representatives this the 2d day of February, 1925.

J. B. HARPER,

Speaker of the House of Representatives.

Correctly engrossed.

H. W. BROADBENT,

Chairman of Committee on Engrossing and Enrolling.

Mr. McKELLAR presented the memorial of G. S. Vreeland and sundry other citizens, all of Chattanooga and vicinity, in the State of Tennessee, remonstrating against the passage of the so-called compulsory Sunday observance bill for the District, or any other religious legislation, which was referred to the Committee on the District of Columbia.

Mr. BROUSSARD presented memorials numerous signed by sundry citizens of the State of Louisiana, remonstrating against the passage of the so-called compulsory Sunday observance bill for the District, which were referred to the Committee on the District of Columbia.

Mr. SHIPSTEAD presented a memorial of sundry citizens of Minneapolis, in the State of Minnesota, remonstrating against the passage of the so-called compulsory Sunday observance bill for the District, which was referred to the Committee on the District of Columbia.

Mr. WILLIS presented a memorial of sundry citizens of Columbus, Worthington, and Delaware, all in the State of Ohio, remonstrating against the passage of the so-called compulsory Sunday observance bill for the District, which was referred to the Committee on the District of Columbia.

He also presented resolutions adopted by the board of directors of the American Country Life Association, indorsing the work of the division of farm population and rural life of the Department of Agriculture and urging its expansion, and also indorsing the so-called Purnell bill, being House bill 157, to authorize the more complete endowment of agricultural experiment stations, and for other purposes, which were referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

Mr. BURSUM, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 5786) for the relief of Roberta H. Leigh and Laura H. Pettit, reported it without amendment and submitted a report (No. 1174) thereon.

Mr. PEPPER, from the Committee on the Library, to which was referred the joint resolution (S. J. Res. 28) authorizing the Joint Committee on the Library to provide for the restoration and completion of the historical frieze in the rotunda of the Capitol, reported it with amendments.

Mr. BALL, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4332) to amend an act entitled "An act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or his or her minor children in destitute or necessitous circumstances," approved March 23, 1906 (Rept. No. 1175); and

A bill (H. R. 12001) to provide for the elimination of Lamond grade crossing in the District of Columbia, and for the extension of Van Buren Street (Rept. No. 1176).

Mr. CARAWAY, from the Committee on Claims, to which was referred the bill (S. 3717) conferring jurisdiction upon the Court of Claims of the United States or the district courts of the United States to hear, adjudicate, and enter judgment on the claim of Solomon L. Van Meter, jr., against the United States for the use or manufacture of an invention of Solomon L. Van Meter, jr., covered by letters patent No. 1192479, issued by the Patent Office of the United States July 25, 1916, reported it without amendment and submitted a report (No. 1177) thereon.

He also, from the same committee, to which was referred the bill (S. 2738) for the relief of Carrol A. Dickson, reported it with an amendment and submitted a report (No. 1178) thereon.

Mr. WILLIS, from the Committee on Foreign Relations, to which was referred the joint resolution (S. J. Res. 190) to provide for the expenses of delegates of the United States to the Pan American Congress of Highways, reported it without amendment and submitted a report (No. 1179) thereon.

He also, from the Committee on Commerce, to which was referred the bill (S. 4161) authorizing the transfer of abandoned and unused lighthouse reservation lands and buildings

to States, counties, or municipalities for public-park purposes, and authorizing the transfer of lighthouse reservation lands and buildings in exchange for other real property, and for other purposes, reported it with an amendment and submitted a report (No. 1180) thereon.

Mr. LADD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 11953) to authorize the construction of a bridge across the Grand Calumet River on the north and south center lines of section 33, township, 37 north, and range 9 west of the second principal meridian in Lake County, Ind., where said river is crossed by what is known as Kennedy Avenue (Rept. No. 1181);

A bill (H. R. 11954) granting the consent of Congress for the construction of a bridge across the Grand Calumet River at Gary, Ind. (Rept. No. 1184);

A bill (H. R. 11977) to extend the time for the commencement and completion of the bridge of the American Niagara Railroad Corporation across the Niagara River in the State of New York (Rept. No. 1182); and

A bill (H. R. 11978) granting the consent of Congress to the Commissioners of McKean County, Pa., to construct a bridge across the Allegheny River (Rept. No. 1183).

Mr. NORBECK, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (H. R. 11077) authorizing the issuance of patents to the State of South Dakota for park purposes of certain lands within the Custer State Park, now claimed under the United States general mining laws, and for other purposes (Rept. No. 1185); and

A bill (H. R. 11726) to authorize the creation of a national memorial in the Harney National Forest (Rept. No. 1186).

ENROLLED BILLS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on February 18, 1925, that committee presented to the President of the United States bills and a joint resolution of the following titles:

S. 877. An act to provide for exchanges of Government and privately owned lands in the Walapai Indian Reservation, Ariz.;

S. 2209. An act to amend section 5147 of the Revised Statutes;

S. 2746. An act regulating the recovery of allotments and allowances heretofore paid to designated beneficiaries;

S. 3171. An act for the relief of sufferers from earthquake in Japan;

S. 3180. An act to amend section 194 of the Penal Code of the United States;

S. 3252. An act referring the claim of the State of Rhode Island for expenses during the war with Spain to the Court of Claims for adjudication;

S. 3352. An act to provide for the appointment of an appraiser of merchandise at Portland, Oreg.;

S. 3398. An act to authorize the city of Norfolk, Va., to construct a combined dam and bridge in Lafayette River, at or near Granby Street, Norfolk, Va.;

S. 4014. An act to amend the act of June 30, 1919, relative to per capita cost of Indian schools;

S. 4109. An act to provide for the securing of lands in the southern Appalachian Mountains and in the Mammoth Cave regions of Kentucky for perpetual preservation as national parks; and

S. J. Res. 177. Joint resolution to amend section 2 of the public resolution entitled "Joint resolution to authorize the operation of Government-owned radio stations for the use of the general public, and for other purposes," approved April 14, 1922.

LEXINGTON-CONCORD SESQUICENTENNIAL COMMISSION

Mr. PEPPER. Mr. President, I have here three reports from the Committee on the Library, and instead of sending them to the calendar I am going to ask the Senate for unanimous consent for their immediate consideration.

First, I report favorably without amendment from that committee the joint resolution (H. J. Res. 342) to authorize the appointment of an additional commissioner on the United States Lexington-Concord Sesquicentennial Commission.

I will say for the information of Senators that this is merely to correct a mistake made in the House in the designation of the number of their commissioners in a measure which has already passed both Houses. It increases the number of commissioners on the part of the House by one in order to accom-

moderate a certain situation which will relieve the Speaker in connection with his appointments.

There being no objection, the joint resolution was considered as in Committee of the Whole and it was read, as follows:

Resolved, etc., That the Speaker of the House of Representatives is authorized to appoint a Member of the House of Representatives as an additional commissioner on the United States Lexington-Concord Sesquicentennial Commission established under public resolution No. 43, Sixty-eighth Congress, second session, approved January 14, 1925.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SESSICENTENNIAL EXHIBITION

Mr. PEPPER. The second measure I report from the Committee on the Library is the joint resolution (S. J. Res. 187) providing for the cooperation of the United States in the sesquicentennial exhibition commemorating the signing of the Declaration of Independence, and for other purposes.

I report it favorably with an amendment designed to carry into effect the recommendation of the President in his message sent to us the other day recommending the appointment of a commission in connection with the sesquicentennial celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence at Philadelphia.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. SMOOT. What appropriation does it carry?

Mr. PEPPER. Twenty-five thousand dollars to be expended by the national commission, consisting of the Secretary of State and the Secretary of Commerce, purely for the clerical expenses of the commission and of the advisory commission which is set up by the resolution. There is no appropriation whatever for the expenses of the exhibition.

Mr. SMOOT. And no responsibility with the appropriation?

Mr. PEPPER. No responsibility by implication or otherwise.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The amendment was, on page 1, beginning with line 3, to strike out through line 12, on page 2, and insert:

That there is hereby established a commission, to be known as the National Sesquicentennial Exhibition Commission and to be composed of the Secretary of State and the Secretary of Commerce, to represent the United States in connection with the holding of an international exhibition in the city of Philadelphia, Pa., in 1926, in celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence. There is also established a commission to be known as the National Advisory Commission to the Sesquicentennial Exhibition Association and to be composed of two citizens from each of the several States, Alaska, Hawaii, the Philippine Islands, Porto Rico, the Canal Zone, and the Virgin Islands, to be appointed by the President, which commission is authorized to confer with and advise the officers and directors of the Sesquicentennial Exhibition Association, under whose auspices the exhibition is to be held. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000, to defray such expenses of the commissions herein established as shall be approved by the National Sesquicentennial Exhibition Commission.

Mr. SMOOT. Will the Senate agree to an amendment to make it read "not exceeding \$25,000"?

Mr. PEPPER. I shall be glad to accept that amendment.

Mr. SMOOT. I move to amend the amendment so as to read "not to exceed \$25,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. DIAL. Where is the exhibition to be held?

Mr. PEPPER. It is to be held in the city of Philadelphia beginning in June, 1926, and extending through the summer months and the early autumn.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

CARE OF BURIAL GROUNDS OF ZACHARY TAYLOR

Mr. PEPPER. From the same committee I report back favorably without amendment the bill (H. R. 9724) to authorize an appropriation for the care, maintenance, and improvement of the burial grounds containing the remains of Zachary Taylor, former President of the United States, and of the memorial shaft erected to his memory, and for other purposes. I ask for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$10,000, for the care, maintenance, and improvement of the burial grounds, comprising approximately five acres, containing the remains of Zachary Taylor, former President of the United States, and of the memorial shaft erected to his memory, located on the Brownsboro Road in Jefferson County, Ky.

The appropriation herein authorized shall be expended by and under the supervision of the Secretary of War.

Sec. 2. That the Secretary of War be, and he is hereby, authorized to accept, free of cost to the United States Government, from the State of Kentucky, and from any others having authority to convey same, the land comprising the aforesaid burial grounds; and upon the presentation of good and perfect title to said land the Secretary of War is authorized and directed to establish thereon a national cemetery.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

A bill (S. 4345) granting an increase of pension to George E. P. Mitchell (with accompanying papers); to the Committee on Pensions.

A bill (S. 4346) authorizing the appropriation of \$5,000 for the erection of tablets or other form of memorials in the city of Quincy, Mass., in memory of John Adams and John Quincy Adams; to the Committee on the Library.

By Mr. McKELLAR:

A bill (S. 4347) granting a pension to George A. Huffar (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 4348) authorizing and directing the Postmaster General to grant permission to use special canceling stamps or postmarking dies in the Portland, Oreg., post office; to the Committee on Post Offices and Post Roads.

A bill (S. 4349) to authorize an appropriation to provide additional hospital and out-patient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924; to the Committee on Appropriations.

By Mr. SHIPSTEAD:

A bill (S. 4350) to extend the time to the Valley Transfer Railway Co. for commencement and completion of bridge across the Mississippi River; to the Committee on Commerce.

A bill (S. 4351) authorizing and directing the Postmaster General to grant permission to use special canceling stamps or postmarking dies in the Minneapolis and St. Paul post offices; to the Committee on Post Offices and Post Roads.

A bill (S. 4352) to create an additional judge in the district of Minnesota; to the Committee on the Judiciary.

By Mr. SHEPPARD:

A bill (S. 4353) for the relief of Edith W. Peacock and the Peacock Military College (Inc.); to the Committee on Claims.

AMENDMENTS TO DEFICIENCY APPROPRIATION BILL

Mr. McNARY submitted an amendment intended to be proposed by him to the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill insert the following:

"For printing and binding for the Department of the Interior, including all of its bureaus, offices, institutions, and services in Washington, D. C., and elsewhere, \$3,000, to be paid out of the special fund in the Treasury of the United States created by the act of June 17, 1902, and therein designated 'the reclamation fund,' to be immediately available."

Mr. BORAH submitted an amendment intended to be proposed by him to the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page —, line —, insert the following:

"For messenger for the Senate Committee on Foreign Relations, at the rate of \$1,440 per annum, from April 1, 1925, to June 30, 1926, both dates inclusive, \$1,800."

PAY OF DISTRICT FIREMEN AND POLICEMEN

Mr. COPELAND submitted the following concurrent resolution (S. Con. Res. 31), which was referred to the Committee on Appropriations:

Resolved by the Senate (the House of Representatives concurring). That the Commissioners of the District of Columbia be, and they are hereby, empowered to pay to each and every member of the Metropolitan police and each and every member of the fire department of the District of Columbia the sum equal to the amount due for each seventh day that the above-mentioned men worked when they should have been on leave, as provided by Congress, since the 1st day of July, 1924, to and including the 31st day of January, 1925, such moneys having been provided for in the deficiency bill of December, 1924.

PRESIDENTIAL APPROVALS

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 19, 1925, the President had approved and signed acts of the following titles:

- S. 365. An act for the relief of Ellen B. Walker;
- S. 1599. An act for the relief of the Export Oil Corporation; and
- S. 1765. An act for the relief of the heirs of Agnes Ingels, deceased.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Ferrell, its enrolling clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 12033) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1926, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAVIS of Minnesota, Mr. FUNK, and Mr. AYRES were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5722) authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. FROTHINGHAM, Mr. WAINWRIGHT, and Mr. GARRETT of Texas were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7687) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboin Indians may have against the United States, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. SNYDER, Mr. LEAVITT, and Mr. HAYDEN were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 9535) authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. EDMONDS, Mr. UNDERHILL, and Mr. BOX were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2716) to amend paragraph 20 of section 24 of the Judicial Code as amended by act of November 23, 1921, entitled "An act to reduce and equalize taxation, to provide revenue, and for other purposes."

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4522) to provide for the completion of the topographical survey of the United States.

CONSERVATION, PRODUCTION, AND EXPLOITATION OF HELIUM GAS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendment of the Senate to the bill (H. R. 5722) authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WADSWORTH. I move that the Senate insist upon its amendment, consent to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. WADSWORTH, Mr. CAPPER, and Mr. FLETCHER conferees on the part of the Senate.

RETIREMENT OF COMMISSIONED OFFICERS IN THE ARMY

Mr. WADSWORTH. At the session last night the bill (H. R. 5084) to amend the national defense act approved June 13, 1916, as amended by the act of June 4, 1920, relating to retirement, and for other purposes, was passed with an amendment added to it on the floor of the Senate. Although it is a House bill the amendment constituted the text of a bill already passed by the Senate and it is under a Senate number. The bill has encountered a hopeless parliamentary tangle in the House. I enter a motion to reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. The motion to reconsider will be entered.

Mr. WADSWORTH. I move that the Senate recall House bill 5084 in order that the error made last night may be corrected.

The PRESIDENT pro tempore. The Senator from New York moves that the House be requested to return to the Senate House bill 5084.

The motion was agreed to.

APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore laid before the Senate the action of the House disagreeing to the amendments of the Senate to the bill (H. R. 12033) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1926, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PHIPPS. I move that the Senate insist upon its amendments, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. PHIPPS, Mr. BALL, Mr. JONES of Washington, Mr. GLASS, and Mr. SHEPPARD conferees on the part of the Senate.

AN EPIC OF THE NORTH

Mr. DILL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial, entitled "An Epic of the North," appearing in the New York Sun of February 3, with reference to the rush by dog-team relays to Nome.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN EPIC OF THE NORTH

Science made the antitoxin that is in Nome to-day, but science could not get it there. All the mechanical transportation marvels of modern times faltered in the presence of the elements. Man has made wonderful machines for speeding on the earth and sea, in the air and under the waters. We have locomotives and motor cars of rare swiftness. We have million-dollar balloons and powerful airplanes. We have steamers, submarines, and that gigantic ally of navigation, the ice-breaker. None of these could reach Nome from the point, more than 600 miles away, where the healing serum was. Even the plane, which has covered the distance in less than two hours, failed in the hour of need.

But there were two machines that did not fail. Man and his dog, prehistoric companions in struggle, answered the cry of Nome. They, assisted by the crudest of all devices of transport, the sled, went through with the job. Other engines might freeze and choke, but that oldest of all motors, the heart, whose fuel is blood and whose spark is courage, never stalls but once.

The eyes of all this continent were on the contest in which the musher and his huskies were faced by the overwhelming odds of a pitiless north. From Nenana, the last point to which the train could bring the serum, to Nome is 665 miles. That is farther than from New York to Detroit, Mich. It is a stretch of snow unbroken except for the glaring ice of the rivers. It is a wilderness of blizzard in which winter whips the face with a thousand thongs of ice. It was 60° below zero when Shannon set out with his dogs and his sled and the precious 20-pound package of antitoxin, set out to make a relay of nearly half the distance between New York and Albany.

There was no rest, for rest meant the stiffening of men and dogs. There was no sleep, for sleep meant death. There was none to guide or encourage, for men were to be seen only at the relay points. The far north has little daylight now, and even that daylight was of small use against the blinding storm. Light or dark, there could be no turning back, no halting, nothing but struggle, hour after hour, in a torment of cold and under a cruel burden of fatigue.

What Shannon faced at the outset was what all nine heroic travelers bore—except when their task was even more severe. The great Sepalla mushed 40 miles to his relay point and then, without rest, took the serum on the long lap to which he had been assigned. Two other mushers waited for two days without sleep—for sleep in the Arctic is a traitor—until their turn came to carry on with the package.

Gunnar Kasson, whose happy fate it was to make the victorious entry into Nome, missed in the storm the relay that was to relieve him and had to make a double run, but completed his last 54 miles in less than eight hours. We can hear the gods in Valhalla crying "Skoal!" to this greater Norseman.

Nor shall the glory fade of the dogs who made this race against death in faster time than ever a wolf or a husky sped in the mushing contests for sport. Frozen, hungry, urged to the last ounce of their energy, so flayed by the winds that their lungs were scorched as if by fire, these creatures held the path of torture as if they knew what their errand was; went on in the spirit of Balto, who when Musher Kasson was lost in the blizzard kept his mates headed for Nome and saved the day.

So potent was the combination of man and dog and courage that merciless winter could not prevent it from doing its fine errand. In five and one-half days the relays covered ground that had never before been crossed in less than nine days. Men thought that the limit of speed and endurance had been reached in the famous dog races of Alaska. But a race for sport and money proved to have far less stimulant than this contest in which humanity was the urge and life the prize.

And there again we find science playing a minor part. For there is nothing in science which tells us why one man should imperil his own life to save the life of another, particularly when, as in the race to Nome, the person to be saved is a stranger. No laboratory test can extract the essence of self-sacrifice; no biological formula explain the willingness and the magnificence of the act of these Alaskan heroes.

These men and their dogs have written an epic of the north. Only one other historic episode of the Iceland matches their unselfish heroism. That is the story of Captain Oates of the Scott expedition to the Antarctic, who walked out into the storm to die in order that his comrades might have more food. But that was tragedy; this, triumph.

THE SPOT-COTTON TRADE

Mr. RANSDELL. On the 6th of this month the Senate authorized the printing of the report of the Federal Trade Commission on cotton merchandising practices. That document, No. 194 of the present session, will be issued from the Government Printing Office within the next few days. It has been claimed by the cotton trade in several cities, New Orleans among the number, that "the commission's method of treating the questions propounded to themselves is unfair and calculated to prejudice the minds of producers against handlers of their merchandise without due and sufficient cause."

In support of the charge that the commission has been unfair in publishing a wholesale indictment of the cotton trade, each of the questions which the commission propounded to itself and then answered has in turn been categorically answered by the members of the spot-cotton trade of New Orleans, who have forwarded me their reply through President Frank B. Hayne, of the New Orleans Cotton Exchange. In his letter to me Mr. Hayne says:

This exchange begs to protest against the Federal Trade Commission's method of investigations, and earnestly requests that you advocate the passage of a law that will require the said commission to give full hearing to business interests before instead of after issuance of public complaint or assumption of complaint by the commission.

I send to the desk herewith the reply of the spot-cotton trade of New Orleans to the report of the Federal Trade Commission, and, in order that it may have the same publicity, ask that it be printed as a Senate document.

The PRESIDENT pro tempore. The report will be referred to the Committee on Printing with a view to having it printed as a document.

THE FRENCH DEBT

Mr. OWEN. Mr. President, I submit for the RECORD without reading a short digest of a speech of Deputy Louis Marin, delivered in the Chamber of Deputies of the Republic of France on the 21st of January, 1925, and printed in the official journal of the House of Deputies of January 22, 1925, beginning on page 168.

The substance of this speech is that this World War was our war; it was a common war, in which all participants should contribute according to their relative wealth, and that every French soldier should be counted as a part of the contribution of France to the common cause; that France lost by

death 1,450,000 soldiers and 500,000 more who died of wounds; that they were worth a minimum of 50,000 francs each; that France suffered other losses still more serious that should be estimated in figuring up the balances due to France in a settlement; that the mere signatures of the representatives of France in a promise to pay the United States for loans does not preclude France from setting up this offset as a legitimate means of canceling the promise to pay given to the American Secretary of the Treasury. The argument turns upon the point that the World War was the United States war; that France is entitled to compensation for training American soldiers in France, and for every inconvenience suffered by France from the presence of American soldiers on her soil. The argument speaks for itself, and at present I do not wish to comment upon it further than to submit it to the attention of Senators.

It shows the importance, however, of the six different resolutions which I have introduced in the Senate urging that the evidence be abstracted and indexed bearing on the causes of the war, in order that we might ascertain whether it was our war or not. If America was responsible for this war, she ought to be made to pay to the limit; but the evidence shows, as I demonstrated to a mathematical demonstration to an absolute historical certainty, that this war was willed and was brought about by the intrigues of a dozen men in St. Petersburg and Paris and London who were in charge of the foreign affairs of those nations.

When the truth is known, it will show that this war was not our war. In reality it was a gigantic catastrophe brought upon the innocent peoples of France and of Russia and of all Europe by the folly of a few leaders. The French people deserve the guaranties of protection which their Government has asked for. The French people deserve well of the world. I admire them heartily; but it would be very unwise for the United States to remit these debts, or any part of them, until the French Government shows a decent respect to the rights of other innocent people besides the French people who were the victims of this war.

Until the French Government is willing to pursue the true principles of international peace and justice by other means than military force, until the French Government is willing to tax its own wealth up to a point equal to that of Great Britain and the United States, in the absence of taxes at the same rate, the oratory of French statesmen is not convincing.

French statesmen have been lending hundreds of millions of dollars to arm other nations on the plea of safeguarding France, and with the apparent object also of establishing French military hegemony over Europe. The spirit that builds up a gigantic air fleet, which has become a secret menace to London, I disapprove. If persisted in this spirit will bring disaster to those whose leaders indulge it.

The world should lay down its surplus arms and by ending competitive armament, by promoting peace through the international high court and the League of Nations, and correcting the follies of the Versailles treaty, restore world peace and a maximum world production. Under this condition interallied debts could be easily met. Then the creditor nations would be justified in the most generous adjustment.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oklahoma? The Chair hears no objection.

The matter referred to is as follows:

DIGEST OF SPEECH OF DEPUTY LOUIS MARIN IN THE FRENCH CHAMBER OF DEPUTIES ON JANUARY 21, 1925

[From the Journal Officiel, January 22, 1925, pp. 168, et seq.]

Up to this time there has been no debate in the French chamber concerning the question of the interallied debts, although these have been frequently debated in all other countries, and in the Belgian, Italian, Rumanian, and Serbian Parliaments. Consequently there is no basis for discussion between the foreign governments and the diplomats or Government of France, since it is not known what the French representatives think. In a question of the fair division of the charges of war the voice of the people should be heard through their representatives, which should serve as a guiding principle for the Government. This principle is based on the moral conscience and good sense of the people. The French law concerning war damages was based on the principle that when men work together they should bear all things in common, and provides that those who did not suffer from the massacres and plunderings on the borders should contribute their money and efforts to assist those who did suffer.

This is the doctrine which must be brought back to the minds of the whole world. It was said in the House of Commons in 1915, "It is necessary for those who have ships to give them; it is necessary for those who have money to give it; it is necessary for those

who have sons trained for fighting to send these children to the field of battle where their blood will run in streams." Shall it be said when the danger is past, "We gave you money; give it back now"? Will they give us back our sons and our destroyed houses?

The socialists wish to have the interallied debts annulled, and two reasons for this are given. One is that human life, liberty, and honor are worth more than money. The other is that when the nations engaged in war some gave their all, their blood, their houses, their land, others their fleet or their money—all that must be balanced. It is inconceivable that those who lent their money should reclaim it to the last centime because the debts were signed.

It is true that France, Belgium, Serbia, and Rumania, for example, gave their signatures when money was loaned to them, but that was merely acknowledging that certain sums have been received. This signature does not mean that there should be no balancing between the sums of money used for the common war and all the efforts, all the sufferings, all the losses, all the elements which can not be weighed and which France has given. These latter have done more than money in the war. Many statements of this nature have been made in the French Parliament in the past 10 years, notably that of Mr. Herriot on August 23, 1924.

A quotation from an Italian paper, *Gazzetta del Popolo*, shows that Italy feels the same way about the interallied debts: "In order to answer the Americans who wish to keep the question of interallied debts in the domain of debtor and creditor it is necessary to compare the French credits with the American credits. This comparison is made unwillingly, since it is necessary to translate even the dead into money, a calculation which is repugnant to our Latin mentality. It can be formulated thus:

"President Wilson declared war on Germany in April, 1917, but it was not until April, 1918, that the first American contingents actually reached the front lines. For a year the French and other allies carried on the war for the United States. Who will dare to claim that this is not a credit? Even omitting the question of military instruction, which for 12 months the French gave to the American contingents, and the expenses of the war for that period, account must be taken, in translating them into numbers, even into gold francs, of the loss of men by the French—that is, 350,000 soldiers from April, 1917, to April, 1918. The Americans say that a man is worth 100,000 francs. The French more modestly calculate his value as 50,000 francs. Multiplying this number by 350,000 gives 17,500,000,000 francs. Attributing only a third of this amount to the loss of men by France for the value of the Americans, France could recover about 6,000,000,000 credits from America."

This quotation is merely to show that throughout the world it is not forgotten that it is not only an account of debtor and creditor of money, but of human lives, of sufferings and losses of all kinds which must be considered in the fair distribution of the charges of war.

More interesting for debate are the American and English comments, since America and England are the creditor countries. England has frequently given evidence of her generosity. Attention is called to one example, in 1823, when, fighting against France she canceled the debts owed to her by Prussia, Austria, and others. At this time they were the same questions as to-day; the question of indemnity for war expenses, which France paid to the last centime, and the question of occupation. When the country was finally evacuated it was acknowledged that "the French Government had fulfilled with the most scrupulous and honorable exactitude all the conditions of the treaty." There was also the question of disarmament. It was demanded, especially by England, that the imperial army be disbanded. This was done. It was also demanded that Napoleon be punished, and whatever be one's opinion of Napoleon, the difference is apparent between him and that coward, who, after having let loose the war, fled to Holland on the day his army was defeated, his people humiliated and troubled.

This man, whose crimes caused England to say that "Germany shall pay to the last cent and the Kaiser shall hang," is still in Holland, peaceful and undisturbed. England was strict toward us, but canceled the debts of her allies in 1823.

In 1915 the Ministers of Finance of England, France, and Russia met in Paris and later in London to discuss the finances of the Allies. Mr. Lloyd George said to his House of Commons, in making his report:

"An alliance in a great war, to be efficient, demands that each country contribute all its resources, whatever they may be, to the common cause. An alliance for war can not be considered on the question of limited responsibility. If one country has more than any other in the alliance, men trained and armed, well equipped with cannons, guns, and munitions, it should put them in line against the common enemy, without considering whether the others can at that moment bring a similar contribution. Likewise it is certain that the same principle will apply to the country which has the most powerful fleet or the country which has the greatest resources in capital or credit. These resources should be entirely at the disposal of the alliance, whether the other countries make a similar contribution or not." Austin

Chamberlain agreed with this opinion. These solemn declarations still keep their value. On May 2, 1917, Bonar Law said, "The interests of all the Allies being identical in this war, it is our duty, as far as we are able, to employ our financial resources to help our allies as if these expenses were our own." In 1920 Lloyd George and his colleagues were unanimous in considering inevitable the cancellation of the French, Italian, and other debts toward Great Britain. They were kept from formally announcing this opinion from fear of offending the United States.

Balfour declared in his note of July, 1922: "The intention of the English Government was not to reclaim from its allies the money advanced to them. Yet since the United States insists that England immediately pay the sums loaned to her during the war, the British Government is compelled to give up the policy which seemed most just, that of the cancellation of the debts." He added that in any case the British Government would only demand from its debtors enough to pay its debts. England gave up this principle of equalizing the burdens of the war because of the attitude of the United States.

The United States has given repeated illustrations of its high idealism. Its character and idealism is not being discussed. All the American thinkers support its doctrine of the equal sharing of the charges of war. They go further and support the theory of the cancellation of the debts. Professor Seligman gives a picture of the various burdens which the war imposed on our civilization, and speaks emphatically for the cancellation of debts, saying that "What we did was to pay our share of a common burden, and if this was calculated on a fair basis, we would not be the creditors but the debtors of the Allies." American economists say, "If the payment was made in gold, this afflux of gold would provoke in the United States a monetary circulation and an excessive inflation likely to cause difficulties. If the debt is paid in merchandise, the only possible solution, this will disorganize American production and trade." It is not the commercial but the moral side of the question, however, which is of interest as the only solid basis for a solution.

In the House of Representatives in the fall of 1917 a Representative said, "These credits must be spent in the American market." Others spoke, some saying that France was fighting for the United States and therefore the latter could do no less than furnish money, and others denying the debt of the United States to France in this respect. Some recalled the help France rendered to America during the Revolution. [Many quotations are given.]

All the statements quoted and mentioned indicated that after the war the burdens should be shared equally, that the sacrifices of money were not the only elements of victory, that there were others infinitely more important and precious, and that these sacrifices should be balanced, if one wished to be just. There must not be forgotten, in the question of interallied debts, the principles which come from the depths of the human conscience, not only the national but the universal conscience.

Many of us regret that France did not say what she wished during the discussion of the treaty of Versailles.

Some friends have objected to bringing this question before the Chamber on the ground that it made a bad impression to plead one's own cause. Yet no one will deny that France has always kept her word. We gave our signatures and will not deny our debts, but they must be reduced. In the past France has never contested a debt. She was accustomed to economize and lend to others. This credit was based even more on honesty than on work and the spirit of economy. During the past 10 years France, in order to keep her promises has given her sons her efforts, her money, and her goods. To-day, impoverished, she is not changing her habits of honesty, whatever the efforts necessary to keep them. In spite of the failure of Germany to pay, in spite of the burden of the Nation's taxes, in spite of its financial exhaustion because of the expenses caused by the war, she keeps her word to her wounded, her war widows and orphans, her sufferers, and all her pensioners. No one will doubt that France has a creed of justice and right and that she shows it at home and abroad, nor that she is generous with her money toward less fortunate nations, the Armenians and others. In these last 10 years of war, France has given unceasingly to her allies to keep the union; she has shown the greatest magnanimity toward her enemies. She has not collected the money which she loaned to small nations nor collected from the great nations for the great effort which we made for them, but yet she answers "present" every time that an account is presented to her or when she is considered as a debtor.

How can a fair distribution of the burdens be made? The first principle is that all resources must be contributed to the common cause. The second is an equal division of success, delays, and difficulties. The third is compensation of balancing of profits and losses in the final liquidation.

Some Americans have claimed that it was not their battles which were fought in 1917, but that America was helping France; others contradict it. It is not necessary to cite all the historical texts which show you that America did not enter the war until she saw herself morally menaced and insulted, until a torpedo boat anchored at New

York, and the *Lusitania* was destroyed. Moreover, it is proof that America was not fighting our war in that she signed a separate treaty and rejected the treaty of Versailles, saying that a special war was being made.

It is argued that there would be danger that debtor countries would squander the money of the creditor countries if this principle of fraternal sharing of the burdens were applied. This would be better than to lose the moral resources of a nation. France can not be accused of wasting money. Her soldiers fought for a sou a day for three and one-half years, suffering hardships because of lack of sufficient clothing. Our civilian workers, too, received much less pay than those in the foreign countries.

Much has been said of a business man's settlement. France lost one-sixth of her mobilized men, 1,450,000, who died on the field of battle and 300,000 who died of their wounds, which was one-twentieth of her total population, which should be compared with the small numbers of most of the other countries. More than 4,000,000 French people were wounded. These sacrifices are worthy of compensation, to say nothing of the sufferings from diseases and accidents of the civil population and the effects on the health of the children in the devastated regions. The Allies must realize that besides the direct victims, of which alone accounts in gold can be reckoned, there are also indirect victims, such as young girls whose fiancés were killed. These deaths represent an economic loss to France. Besides this the material war damages to France have already been calculated at more than 120,245,000,000 francs.

Moreover, France also suffered indirect losses. Her industries and agriculture lost immeasurably. Our war expenses are not yet known. The French themselves sacrificed much money for these expenses.

Regarding the days of mobilization, 11,000,000,000 were spent thus: Each day represents a salary of at least 5 francs, making a cost of 55,000,000,000 francs. It must be noted also that if the war was won it was due to the fact that France was prepared at great cost before the war. If France had not been ready, Germany would have been mistress of Europe before the other nations could have led their troops thither. The French also had to learn by experience during the first part of the war, whereas the other countries profited by her experiences. France sent all available men to the front, whereas only 2,000,000 Americans came to France and only 1,400,000 entered the armies. France also made a great industrial effort and provided much for her own armies and other armies in France.

France had more men in the trenches than other countries, and gained a much greater extent of these trenches.

During the making of the treaty of Versailles France made many sacrifices against the promise of compact guaranties. Certain clauses were inserted in the treaty at the sole demand of the United States. But the United States Senate refused to ratify the treaty, as was its right. Does not that refusal give France the right to other compensation? Very rich nations need not refuse compensations to those exhausted by the common victory.

Since we are not permitted to apply the simple compensation principle of annulment, I tell you that we would be completely exhausted if we had to pay those enormous sums demanded by certain plans conceived in the United States. It is also a moral impossibility.

If the power of money had so much influence on the policy of nations there would be no more trust in the moral conscience, the great power of individuals, and associations. The international relations of the whole world would be infected.

I well perceive the generosity of our English friends and the sacrifices they are about to make. "Their generosity touches us deeply, but in the name of justice and of the universal moral conscience I demand that the problem of the debts shall be treated on the basis of compensation for the charges of war."

LOTTIE M. MANROSS,
Library of Congress.

ORDER FOR EVENING SESSION

Mr. CURTIS. Mr. President, I ask the attention of the Senator from Arkansas [Mr. ROBINSON] because I desire to submit a unanimous-consent request. I ask unanimous consent that at not later than 5.30 o'clock this afternoon the Senate take a recess until 8 o'clock and that the bills on the list which I send to the desk be considered, and that the evening session last not later than 11 o'clock.

Mr. ROBINSON. I ask that the list of bills be read to the Senate.

The PRESIDENT pro tempore. The list of bills will be read as requested.

The reading clerk read as follows:

H. R. 157, to authorize the more complete endowment of agricultural experiment stations, and for other purposes.

S. 3011, to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

S. 3316 and H. R. 8887, the Pepper-McFadden banking bill.

If the above measures are disposed of before 10.30 p. m. on said day, then the calendar shall be taken up under Rule VIII and be considered until 11 o'clock p. m.

The PRESIDENT pro tempore. The Chair understands that in the request is included an agreement that the Senate shall take a recess at 5.30 o'clock until 8 o'clock this evening and that the bills just read shall then be considered.

Mr. ROBINSON. Mr. President, I believe there is a general demand on both sides of the Chamber for the consideration of all three of the measures embraced in the list, namely, the bill to authorize the more complete endowment of agricultural experiment stations, a modification of the existing laws relating to the retirement of employees in the classified service, and the so-called Pepper-McFadden banking bill. It is suggested to the Senator from Kansas that the request be modified so as to provide for a resumption of the calendar where the consideration of it was discontinued last evening.

Mr. CURTIS. I am perfectly willing to do that. It was my intention to talk with the Senator from Arkansas and see if we could not get an agreement for a night session probably two or three nights next week to call the calendar under Rule VIII.

Mr. SMOOT. I suggest that we recess at 5 o'clock this afternoon instead of 5.30.

Mr. ROBINSON. I really think it unimportant about the calendar to-night, because in all probability the three measures specifically mentioned will occupy the entire evening.

Mr. CURTIS. I will accept the modification suggested by the Senator from Utah that we recess at 5 o'clock instead of 5.30, and I also accept the suggestion of the Senator from Arkansas that if the calendar is reached to-night we resume it at the place where we left off last evening.

Mr. HEFLIN. Mr. President, I would like to ask the Senator from Kansas if the Purnell bill is in the list.

Mr. CURTIS. It heads the list.

The PRESIDENT pro tempore. The Senator from Kansas accepts the modification suggested by the Senator from Utah and the modification suggested by the Senator from Arkansas.

Mr. NORRIS. Mr. President, so far as the Purnell bill is concerned, I do not think really it would take more than five minutes to pass it. There is no opposition to it that I know of. It was reported from the committee unanimously. What I want to call attention to is that I do not know whether I ought to object. I do not want to object, because I have no disposition to block the consideration of any of the bills mentioned, but there is one bill on the list which it seems to me it is hardly right that we should take up at an evening session, for we know what that means, passing bills with only 8 or 10 Senators here, or without a quorum.

Senators who are working in committees all day or in the Senate all day can not stay up and work all night, particularly when they have committee meetings at night. I do not like the idea of putting the so-called McFadden banking bill on the list for consideration in that way. I say that without expressing any opposition to the bill. I have not had any time to consider it. I know it is a bill of great importance and has been given consideration by a great many people who are very much in favor of it, and by a large number of people who are very bitterly opposed to it. It ought not to be passed without consideration.

Mr. HEFLIN. Mr. President, if the Senator will permit me to make a suggestion, he can make the point of no quorum when that bill is reached, and if we have no quorum—

Mr. NORRIS. I will not be here to make the point of no quorum.

Mr. HEFLIN. I will be here, I promise the Senator.

Mr. CURTIS. Mr. President, I want to suggest this thought to the Senator from Nebraska. I have talked with various Senators interested, and two or three have told me that they think amendments have been agreed upon or will be submitted which would make the measure entirely satisfactory. I am willing to eliminate the bill if the Senator from Nebraska so desires, though I would rather not do so.

Mr. NORRIS. No; as I said, I do not want to place myself in the attitude of trying to block useful legislation; but it really ought to be done if we had somebody with the courage to do it, because here we are coming up to the 4th of March and we are going to take up bills which, if passed at all, are going to be passed without due consideration, just as many bills were passed the other night. I have had men come to my office who are well posted on the banking bill and who wanted to talk with me, but I have refused to talk with them, because I did not have the time. I supposed it would be taken up in the regular way and would be debated here. I may vote for it myself.

Mr. FLETCHER. If the Senator will allow me, I think the bill has been very thoroughly considered by the Banking and Currency Committee, and I think all matters that would excite any contest or any disagreement at all have been eliminated from the Senate bill as the committee have reported it. I do not believe there will be any objection to the bill practically as it is submitted now by the Senate committee, with the amendments proposed.

Mr. NORRIS. Has the question of branch banks been agreed upon by those who are opposed to branch banking?

Mr. FLETCHER. That part of it may be stricken out.

Mr. ROBINSON. Of course, that will not prevent the issue as to whether that provision shall go out of the bill entirely.

Mr. NORRIS. No; that can be put in by offering an amendment.

Mr. ROBINSON. The issues involved in the Senate amendments, of course, will cause some contest; but I am anxious for the consideration of the measure, because I believe there is a widespread demand for it, and I do not know of any other way to procure consideration of it than by holding a night session.

Mr. FLETCHER. There are some features of the bill that are very important.

Mr. HEFLIN. What I said a moment ago to the Senator from Nebraska was that we could make a point of no quorum if they should undertake to pass the measure. I shall not object to discussing it at the night session, but I shall make the point of no quorum, if necessary, if some one tries to have it passed when we have not a quorum present.

Mr. McLEAN. Mr. President, is it proposed to make what is known as the McFadden-Pepper bill an order of business for the evening session?

Mr. CURTIS. It is the third on the list of bills for consideration to-night under the unanimous-consent agreement I have submitted.

Mr. McLEAN. This evening?

Mr. CURTIS. Yes.

Mr. McLEAN. The Senator from Pennsylvania [Mr. PEPPER] is chairman of the subcommittee which had that bill under consideration for some time and reported it back to the full committee. I would like to ask the Senator from Kansas if he has consulted with him?

Mr. CURTIS. Yes; I consulted with the Senator from Pennsylvania last night.

Mr. BORAH. Mr. President, I came into the Chamber a little late. I wish the unanimous-consent agreement might be restated.

The PRESIDENT pro tempore. The clerk will report the proposed unanimous-consent agreement.

The reading clerk read as follows:

It is agreed, by unanimous consent, that to-day at not later than 5 o'clock p. m. the unfinished business shall be temporarily laid aside and the Senate shall take a recess until 8 o'clock p. m.; that at the evening session nothing shall be considered except the following bills in the following order:

H. R. 157, to authorize the more complete endowment of agricultural experiment stations, and for other purposes.

S. 3011, to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

S. 3316 and H. R. 8887, the Pepper-McFadden banking bill.

If the above measures are disposed of before 10.30 p. m. on said day, then the calendar shall be taken up under Rule VIII and be considered until 11 o'clock p. m.

Mr. CURTIS. The request was modified by the suggestion of the Senator from Arkansas [Mr. ROBINSON] that the calendar be taken up, beginning where we left off last night, and only unobjected bills be disposed of.

The PRESIDENT pro tempore. The agreement will be modified accordingly.

Mr. SMOOT. Why not then go back to the beginning of the calendar and call it over again?

Mr. ROBINSON. I would not favor going right back over the old calendar after having gone over it last night. In addition to that, there is no chance of reaching the calendar to-night if we take up the McFadden banking bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kansas? The Chair hears no objection, and the unanimous-consent agreement is entered into.

The unanimous-consent agreement as finally entered into is as follows:

It is agreed by unanimous consent that to-day at not later than 5 o'clock p. m. the unfinished business shall be temporarily laid aside and the Senate shall take a recess until 8 o'clock p. m.; that at the

evening session nothing shall be considered except the following bills in the following order:

H. R. 157, to authorize the more complete endowment of agricultural experiment stations, and for other purposes.

S. 3011, to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

S. 3316 and H. R. 8887, the Pepper-McFadden banking bill.

If the above measures are disposed of before 10.30 o'clock p. m. on said day, then the calendar shall be taken up for the consideration of unobjected bill, beginning with Calendar No. 1180; and that the evening session shall not last beyond 11 o'clock p. m.

CONVEYANCE OF LAND TO THE CITY OF ASTORIA, OREG.

Mr. McNARY. Mr. President, at the session of the Senate last evening the bill (H. R. 7821) to convey to the city of Astoria, Oreg., a certain strip of land in said city was passed. It is purely a local measure. I think the bill should receive further study. I enter a motion to reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. The motion to reconsider will be entered.

Mr. McNARY. I move that the House be requested to return the bill to the Senate.

The motion was agreed to.

SALE OF COTTON-OIL PRODUCTS

Mr. GOODING. Mr. President, yesterday the Senator from North Carolina [Mr. OVERMAN] had read into the Record a telegram from the Governor of North Carolina which stated that certain Western States were contemplating the enactment of drastic measures against southern agricultural products. I immediately wired the governor of my State. I have a reply from the governor, which I send to the desk, together with my message to him, and ask that both may be read.

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The reading clerk read as follows:

BOISE, IDAHO, February 18, 1925.

Senator FRANK R. GOODING,

United States Senate, Washington, D. C.:

Bill introduced at request of Dairy Association places heavy license on manufacture, wholesaling, retailing, and serving of any fatty substance in imitation of butter. Bill passed House to-day with heavy vote. From what I know about the bill I think it is too radical in demands.

C. C. MOORE.

[Western Union telegram]

FEBRUARY 19, 1925.

Hon. C. C. MOORE,

Governor of Idaho, Boise, Idaho:

Am sure it is a serious mistake to pass any legislation that discriminates against agricultural products in the South or in any other part of the country. Some States in the South produce very little hay, grain, or livestock and spend millions of dollars with the West and other States for these agricultural products. To discriminate against cottonseed oil or peanut oil which come from the chief agricultural products of the South, will bring about a discrimination by the Southern States against the chief agricultural products produced in Idaho. The dairy interests of Idaho should not be permitted to endanger every other agricultural industry in the State. As I wired you yesterday, the South is the West's best friend in Congress in legislative matters, and I am sure the best interests of the West and especially Idaho demand the defeat of the bill placing a license on butter substitutes. The Government has protected the people on oleomargarine, and if any more legislation is required it should come from Congress and not from a State that must depend in a large measure upon the South for the sale of agricultural products. The South not only spends hundreds of millions of dollars for agricultural products produced in other parts of the country, but is a good customer for western apples and western prunes. Please advise if this legislation can be stopped.

F. R. GOODING.

Mr. RANDELL. I ask to have read from the Secretary's desk a brief telegram from Governor Fuqua, of my State, on the same subject as the telegram which has just been read at the request of the Senator from Idaho.

The PRESIDENT pro tempore. The Secretary will read as requested.

The reading clerk read as follows:

BATON ROUGE, LA., February 18, 1925.

Hon. JOSEPH E. RANDELL,

United States Senate, Washington, D. C.:

It has been brought to my attention that there are pending in the Legislatures of Wisconsin, California, Idaho, Indiana, Missouri, Ne-

braska, Ohio, Oregon, and Utah measures which would practically deny the sale of cotton-oil products in these States. I need not say to you that such legislation is likely to work serious injury to a great product of our State and other cotton States of the South. I feel sure that you will use every effort to prevent such a result.

HENRY L. FUQUA,
Governor of Louisiana.

Mr. RANDELL. Mr. President, I merely wish to add that I hope the fears of the Governor of Louisiana are unfounded in the particular to which he refers.

Mr. FLETCHER. In this connection I present a telegram from the Governor of Florida with reference to some action being taken relating to the prevention of the transportation of cotton-oil products into certain States. I ask that the telegram be referred to the Committee on Agriculture and Forestry and printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The telegram is as follows:

TALLAHASSEE, FLA., February 18, 1925.

Senator DUNCAN U. FLETCHER,
Washington, D. C.:

Have telegram from Governor McLean, of North Carolina, calling my attention to legislation pending in the Legislatures of Wisconsin, California, Idaho, Indiana, Missouri, Nebraska, Ohio, Oregon, and Utah placing prohibition on sale of cotton-oil products, and requesting that I wire our representatives in Senate and House to use their influence with Senators and Representatives in Congress from the States named to exert their influences with the legislature of their respective States against the proposed legislation. Needless to say that a denial of sale of oil products in those States would result in a serious economic loss to the Southern States and would affect the friendly feeling, co-operation, and comity existing between that great agricultural section and the South. Am sure you are awake to the situation and will exert your influence against any such proposed legislation to the uttermost.

JOHN W. MARTIN, Governor.

INJUSTICES PRACTICED UPON CATTLE GROWERS IN ARIZONA

Mr. ASHURST. Mr. President, it is my duty now to advise the Senate that by reason of poor markets, high freight rates, drought, and governmental indifference a great industry, in fact, for many years one of the prime industries of the Southwest, cattle growing, is about to be exterminated. The cattle growers of the Southwest fully realize that the Government can not make men wise, rich, and good, although there is a school of philosophers abroad in the land who maintain that contention. I do not subscribe to that philosophy; neither do the cattlemen of the Southwest, because they are reasonable men and usually are accurate thinkers and they have no patience with the suggestion that the Government can make men wise, rich, and good by legislative enactment. They realize that experience makes men wise, that economy and industry make men rich, and that the home and the church make men good. By the same parity of reasoning, by the same rule of justice, they believe that the Government ought not to crush an industry either by stupid neglect, indifference, ignorance, or malice.

Whatever may be the motive actuating the Department of Agriculture in lending its strength to crush the livestock industry of the Southwest, I do not know. I do not believe it is a corrupt motive. The contribution of the Department of Agriculture toward this end is due partly to indifference, partly to ignorance, and partly to the system of a bureaucratic way of dealing with practical questions; in other words, a so-called red tape, a shuffling of papers in dealing with practical questions is what officialdom in the Forest Service dearly loves.

The cattle growers of Arizona have suffered from these injustices thus imposed upon them by their Government long enough. If the Arizona delegation in Congress fails to call to the attention of the country and of Congress the fact that these injustices are being perpetrated, we would be derelict in the performance of our duties. We were sent here by our constituents not to secure favors from the Government but to secure justice.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. SMOOT. As I was necessarily called out of the Chamber, I did not hear the preliminary portion of the address of the Senator from Arizona. Has the Senator recited the injustices to which he refers? I should like to hear them.

Mr. ASHURST. I am now, as the lawyers say, merely pleading the inducement; I am stating the inducement part of my remarks; but the Senator from Utah is correct, and I probably should have first recited the abuses. I therefore ask the

Secretary to read the resolution which was adopted by the Arizona Cattle Growers' Association at their convention held at Phoenix, Ariz., on February 11 of this year.

The PRESIDENT pro tempore. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

Resolution 2

Whereas the General Land Office of the Department of the Interior has notified stockmen who use the public domain that if the present Congress adjourns without providing for the leasing of the unappropriated public domain all fences now existing on public domain or inclosing public domain must be removed immediately; and

Whereas the removal of these fences would be detrimental to the livestock industry in Arizona and will cause a very great expense at a time when the stockmen are least able to bear it: Now therefore be it

Resolved by the Arizona Cattle Growers' Association, in convention assembled in Phoenix, Ariz., on the 11th day of February, 1925, That Congress be earnestly urged to immediately pass S. 4076, or some other legislation providing for the regulation of grazing on the public domain, and thus prevent the disaster which would be caused to the industry in Arizona by the proposed removal of fences on or inclosing public domain; and be it further

Resolved, That a copy of this resolution be sent to our representatives in Washington.

HENRY G. BAIN, President.

Attest:

Mrs. E. H. CRAPH, Secretary.

PHOENIX, ARIZ., February 13, 1925.

Mr. ASHURST. Mr. President, the cattle growers realize that ultimately they will be obliged to remove fences. No sensible man would contend that anyone has a right to fence public domain forever; but on some parts of the public domain there have been built what are called "drift fences." A drift fence is a fence designed to prevent cattle from wandering or straying from one range to another, to prevent commingling of herds and brands, and are sometimes so used that a cattleman may keep this particular range for summer or that range for winter. A drift fence does not inclose the public domain.

At this juncture, when markets for cattle in the Southwest are the poorest, just when we have had the worst drought known in recorded history in the Southwest, the cattlemen are about to be required under enormous expense, ruinous expense, to remove these fences. That is the first thing of which we complain.

Mr. HEFLIN. Mr. President, before the Senator gets away from that will he inform us why they are requested to remove the fences?

Mr. ASHURST. The department claims that the law now requires the removal of the fences.

Mr. KENDRICK. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Wyoming?

Mr. ASHURST. I yield.

Mr. KENDRICK. I should like to ask the Senator if he does not consider it only fair to say that the department is carrying out the laws which Congress enacted, and that it has no discretion, or but very little discretion in the administration of the law?

Mr. ASHURST. I will say to my able friend the department is carrying out the law and is also carrying out on a shutter the corpse of the cattle industry in my State.

Mr. KENDRICK. That may be absolutely true, but, beyond the point of discretion, the department must enforce the law; that is their responsibility.

If the Senator will pardon me for just a moment further, if Congress by enacting a measure now pending or any other measure should give them increased discretion, they would be able to construe the law less rigidly.

Mr. ASHURST. The Senator makes a strong point. The department must enforce the law, but forsooth they have waited until the markets were the poorest known in history; they have waited until the worst drought that ever set its blight upon a people has come upon the Southwest. All of the plagues of Egypt were not worse than the drought that has afflicted the cattlemen lately. It was at that time that the department began to enforce the law. Silence, negation, indifference, and acquiescence for years, and then in the hour of calamity and distress they enforce the law. They are now bent on ruthlessly enforcing the law.

Mr. KENDRICK. Mr. President, will the Senator yield once more?

Mr. ASHURST. I yield cheerfully to my able friend.

Mr. KENDRICK. I ask the Senator if it is not a fact that the department has been most indulgent in allowing to continue for so many years the situation which has existed? My personal observation has shown that in nearly every one of these cases the department has been indulgent to a degree when the trespass did not involve any local disputes; and it occurs to me to be not unlikely that it has been compelled now to act because of protests coming from the locality or localities where the fences have been erected and maintained for such a long period of time.

Mr. ASHURST. For years the department has been remarkably indulgent, but when the cattle growers have the poorest markets known in history, when we have the greatest drought known in history, then they refuse to be indulgent.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. ASHURST. I yield.

Mr. SMITH. Mr. President, is the law mandatory as to that?

Mr. ASHURST. From the past acquiescences I deem not.

Mr. SMITH. The reason I ask the question is this: If they could indulge the cattlemen for years, could not they indulge them longer?

Mr. ASHURST. It is within their reasonable discretion.

In arguing a practical question of the stock business with the able Senator from the State of Wyoming I am at some disadvantage. I have had no practical experience with the stock industry for nearly 25 years. I am grateful to him for listening this morning, because I expect to convert him before I get through, and when I do that I will have accomplished a vast deal.

The permittees on the national forests have petitioned, have begged for a decrease in the grazing fees which they are obliged to pay to the Government each year for the privilege of grazing upon the national forests, and remember that Federal reserves in the State of Arizona constitute 52 per cent of the area of the State.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. ASHURST. I yield.

Mr. CARAWAY. Inasmuch as the Government pays no taxes for the upkeep of a State, under what theory does it charge the citizen for grazing his cattle on the public domain?

Mr. ASHURST. The Government charges a high fee for grazing livestock on the national forests.

Mr. CARAWAY. Under what theory does it do it? It pays no taxes. It does not help pay the expenses of the State.

Mr. ASHURST. Congress vested such authority in the Department of Agriculture. There is too much theory in the Department of Agriculture. If a Machiavelli had been behind the Department of Agriculture in the past two or three years, planning with cunning mind as to how to exterminate the cattle interests in Arizona, he could not have done better toward that end than has the régime in the Department of Agriculture during the past two or three years.

Mr. BURSUM. Mr. President—

Mr. ASHURST. I yield to the other cattle man, the Senator from New Mexico.

Mr. BURSUM. I will say to the Senator that the charges are made because of the authority vested in the department by Congress.

Mr. ASHURST. The charges are made by authority granted by Congress.

Mr. BURSUM. Congress has authorized it.

Mr. ASHURST. Congress presumed that the Secretary of Agriculture would have some judgment and some common sense; but it was a violent presumption on the part of Congress to assume that the Department of Agriculture and the Forest Service would exercise any sensible discretion in the matter.

These are strong words; but if, when I shall have concluded, any one here thinks I have overstated the record, I challenge him to an investigation. I challenge him to introduce a resolution and call for an investigation of the conditions in Arizona. If, when I shall have finished, anybody here thinks I have simply indulged in lurid rhetoric, and that I have improperly assailed the Department of Agriculture and the Forestry Bureau, his recourse is to send an investigating committee of Senators of his own choice to Arizona to investigate.

Mr. SMITH. Mr. President, may I ask the Senator a question? Does the law give the Department of Agriculture the right to name the amount of the grazing fees?

Mr. ASHURST. That is within its discretion. The Department of Agriculture can and does move the scale of fees as it pleases.

Mr. SMITH. That is what I say. The law does not stipulate any fixed amount.

Mr. ASHURST. No.

Mr. SMITH. To what extent can they scale down the fees to the vanishing point?

Mr. ASHURST. They may scale them to the vanishing point, or may elevate the fees so high that no stock can graze upon the national forests.

I now ask the Clerk to read another resolution adopted by the Stock Growers' Association.

The PRESIDENT pro tempore. Without objection, the Secretary will read the resolution.

The reading clerk read as follows:

Resolution 5

Whereas there is urgent need of relief for the livestock industry in the State of Arizona; and

Whereas the present fees charged by the Department of Agriculture for grazing upon the national forests in this State are far in excess of the real value therefor, based upon the production and prices received therefrom; and

Whereas an appraisal, lately completed, made by the Department of Agriculture, will ultimately increase the already high fee now being charged: Now therefore be it

Resolved by the Arizona Cattle Growers' Association, in convention assembled in Phoenix, Ariz., on the 11th day of February, 1925, That our Senators and Representative in Congress be requested to use their utmost endeavor to assist in the passage of legislation in Congress, embodied in Senate bill No. 2424, known as the Phipps bill, which will reduce the grazing fees on the national forests: And be it further

Resolved, That copies of this resolution be sent to Senators ASHURST and CAMERON and Congressman HAYDEN.

HENRY G. BAIN, *President.*

Attest:

Mrs. E. H. CRAPH, *Secretary.*

PHOENIX, ARIZ., February 13, 1925.

Mr. ASHURST. Mr. President, the grazing fees collected in Arizona are three times too high. In other words, for every dollar expended by the Forest Service in the matter of furnishing forage, exterminating predatory animals, and so forth, the bureau receives a return of 300 per cent. If the grazing fees were reduced by two-thirds from what they now are, then the avails and receipts from grazing would be 100 per cent on the expenditure made by the Forest Service.

I charge here that the Department of Agriculture, through its minions, has been lobbying with Members of Congress to induce them to defeat certain bills looking toward some relief for the livestock interests in my State.

Mr. KING. Mr. President, will the Senator yield?

Mr. ASHURST. I yield to the Senator.

Mr. KING. I ask the Senator for information, if, in the statement which he has made, he includes the Forest Service?

Mr. ASHURST. Yes.

Mr. KING. Including Colonel Greeley and his immediate advisers?

Mr. ASHURST. I do not insinuate; I charge. I make no insinuations, either in public or in private life. It is not my habit. I charge.

Mr. President, in the Southwest the cattle growers have grown weary, after a struggle of many years, in trying to build up the cattle industry, oppressed constantly as they are by non-action in Congress and by what is more deadly—the impractical, theoretical ideas of the Forestry Bureau.

If you of the East and you of the South and you of the North should ask me "in what way does this affect or appeal to you?" I reply: "Go to any hotel in this city or any other city and order a beefsteak, and you will find that the caterer charges you more for the steak than the cattle grower received for the animal." Congressmen have been discussing the proposed increase in the salaries of Cabinet members and Members of Congress. I am indifferent to it. What if we do raise the salaries? The hoteliers and caterers of Washington will absorb all the raise. They elevate their prices according to salaries. So Senators and Representatives need not worry about any increase in salaries. The hoteliers and the caterers of Washington will get it all, anyhow. But the maintenance and perpetuity of the cattle industry is of prime importance. Just as our cattle-growing industry decreases will our vitality as a Nation decrease. When the Lord saw fit to light the lamp of genius, He lit it in the brain of the Anglo-Saxon American people. Beef eaters rule the world. The protoplasmic cells of

the beef are what sustain a mighty race. Do you intend to crush the cattle interests of the West and the Southwest entirely and import beef from the Argentine and from Mexico? I hardly think you wish to do that, but the indifference of Congress, the stupidity and the antagonism of the Department of Agriculture, are recklessly and relentlessly driving toward an extermination of the cattle interests in Arizona.

I ask that certain other resolutions adopted by the Cattle Growers' Association at their convention held in Phoenix recently be included in the Record at this point.

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). Without objection, it will be so ordered.

The resolutions are as follows:

Resolution 3

Whereas the Seventh Legislature of the State of Arizona has recently memorialized Congress, asking that 5,000,000 acres of the public domain within the State of Arizona, unappropriated for any other use, be granted to the State of Arizona for the maintenance of State institutions and schools; and

Whereas there is great need on the part of institutions within the State of Arizona for this additional support; and

Whereas it would also be of great benefit to the stock interests of Arizona to have this additional acreage under regulated use: Now therefore be it

Resolved by the Arizona Cattle Growers' Association, in convention assembled in Phoenix, Ariz., on the 11th day of February, 1925, That the congressional representatives of Arizona be earnestly requested to take such steps as will bring about the granting of an additional 5,000,000 acres to the State of Arizona for the support of State and educational institutions within the State of Arizona; and be it further

Resolved, That copies of this resolution be sent to Senators CAMERON and ASHURST and to Congressman HAYDEN in Washington.

HENRY G. BAIN, *President.*

Attest:

Mrs. E. H. CRAPH, *Secretary.*

PHOENIX, ARIZ., February 13, 1925.

Resolution 8

Whereas the Nation is committed to a protective tariff policy; and

Whereas a large proportion of the hides used in the United States are imported from foreign countries, to the manifest injury of our livestock producers: Now therefore be it

Resolved, That we earnestly urge Congress before it adjourns to fix a tariff of 6 cents per pound on green hides and 15 cents per pound on dry hides; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, to the President's agricultural conference now in session, and to Arizona's Members in Congress.

HENRY G. BAIN, *President.*

Attest:

Mrs. E. H. CRAPH, *Secretary.*

PHOENIX, ARIZ., February 13, 1925.

Resolution 9

Whereas the importations of canned meats and tallow are so heavy as to indicate that the tariff on such commodities affords imperfect protection to the domestic producer: Therefore be it

Resolved by the Arizona Cattle Growers' Association, in convention assembled, this 11th day of February, 1925, in Phoenix, Ariz., That the President of the United States be, and hereby is, respectfully requested to exercise his statutory authority to declare an addition of 50 per cent to the present import tariff on canned meats and tallow; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, to the chairman of the Tariff Commission, and to the chairman of the President's agricultural conference now in session in Washington.

HENRY G. BAIN, *President.*

Attest:

Mrs. E. H. CRAPH, *Secretary.*

PHOENIX, ARIZ., February 13, 1925.

Resolution 10

ADEQUATE CREDIT FACILITIES FOR LIVESTOCK

Whereas the unprecedented drought in portions of the range country, the drastic deflation of credits, and the consequent forced marketing and slaughter of large numbers of breeding animals have brought about a serious condition in the livestock industry, which was only partially and temporarily relieved by the advances made by the War Finance Corporation; and

Whereas the expiration of the time fixed by law for making advances by the War Finance Corporation has eliminated one important avenue of credit for livestock producers: Therefore be it

Resolved by the Arizona Cattle Growers' Association in convention assembled in Phoenix, Ariz., on the 11th day of February, 1925, That we earnestly request Congress at its present session to enact legislation authorizing the agencies provided in the agricultural credits act of 1923 to extend credit to breeders of livestock upon such terms as will enable them successfully to carry on their business, and, specifically, that the law be amended to permit national agricultural credit corporations to rediscount livestock paper with the intermediate credit banks; and be it further

Resolved, That we invite the sympathetic cooperation of the Federal Farm Loan Board, the officials of the intermediate credit banks, and bankers, business men, and stockmen in formulating regulations and policies and in the organization and operation of loan agencies, to the end that adequate credits for the livestock industry may be promptly available.

HENRY G. BAIN, *President.*

Attest:

Mrs. E. H. CRAPH, *Secretary.*

PHOENIX, ARIZ., February 13, 1925.

Mr. CARAWAY. Mr. President—

Mr. ASHURST. I yield to the Senator.

Mr. CARAWAY. I should like to ask the Senator, because I am in sympathy with his position, what measure now pending the Senator thinks would be helpful?

Mr. ASHURST. I want the bill passed which provides for a cancellation or a remission for this year of all grazing fees. I want the bill passed—I think it was introduced by the able Senator from Colorado [Mr. PHIPPS]—that will compel the Forest Service and the Department of Agriculture to grant in the future a very substantial reduction in the grazing fees.

Mr. CARAWAY. I should like to say that both of these measures, as I now recall, were reported out from the Committee on Agriculture and Forestry, and I was in favor of reporting both of them.

Mr. ASHURST. I thank the able Senator.

Mr. CARAWAY. If the Department of Agriculture has the power to reduce to practically nothing the present grazing fees, why can it not be induced to do it?

Mr. ASHURST. Why, Mr. President, not only does the Department of Agriculture, upon the advice of the forest officials, refuse to reduce the grazing fees on national forests, but it has its minions in this Capitol trying to induce Members of Congress not to vote for such legislation.

Mr. CARAWAY. May I ask the Senator why it objects?

Mr. ASHURST. The Forestry Bureau wants to continue its pettiness, to continue to reap its 300 per cent, so that its men with bifurcated hair and leggings may ride through the national forests as profoundly indifferent, of course, to the true problems of the forest as is the swan that gracefully glides on the bosom of the waters profoundly oblivious to the depths below. National forest officials that are sent to Arizona are frequently impractical and do not know a pinus ponderosa from an oak, much less do they know anything of the livestock industry.

Mr. PHIPPS rose.

Mr. ASHURST. I yield to the Senator from Colorado.

Mr. PHIPPS. I do not desire to ask any questions. I desire to make a short statement when I can get recognition after the Senator has concluded his remarks.

Mr. ASHURST. I hope to have the support of the able Senator; and I repeat here, if any Senator on either side believes I have overstated the matter, or have been too emphatic, I ask—indeed, I demand—that a committee of Senators shall go to Arizona and investigate this whole subject.

Mr. CARAWAY. I think if the Senator will ask unanimous consent to consider the resolution he will get it.

Mr. ASHURST. In conclusion, my colleague [Mr. CAMERON] has a joint resolution here which proposes to direct the Department of Agriculture to suspend the grazing fees for this year; and at this juncture I ask unanimous consent for the immediate consideration of that resolution.

Mr. SMOOT. Mr. President—

Mr. ASHURST. I yield to the Senator from Utah.

Mr. SMOOT. Before the Senator asks unanimous consent, I want to call his attention to the fact that representatives of the cattle interests of the United States as well as the animal industry generally, I was told, reached an agreement here day before yesterday with the Department of Agriculture that no action would be taken upon the increase of the fees for two years.

Mr. ASHURST. Are we to be told in reply that we must be content with assurances that there will be no increase for two years?

Mr. SMOOT. No action for two years. I understand that agreement has been reached with reference to different indus-

tries. Whether it ought to stand or not, of course, the Senator must decide himself, but I do know—

Mr. CAMERON. Mr. President, I wish the Senator would speak a little louder, so that we can hear.

Mr. SMOOT. I do know that Secretary Gore, of the Department of Agriculture, did agree that there would be no increase, and I want to say to the Senator that I have not received one letter asking that the fees be abolished entirely.

Mr. ASHURST. I do not want to give the Senator a face-tious answer, but the Senator says he has not received a letter asking that the fees be remitted for the present year. No doubt the Senator is telling the truth, but that was for the obvious reason that the letters were sent, of course, to my colleague and to myself. If the cattlemen of Arizona had deemed it necessary to write the Senator from Utah, they would have done so. They assumed that he was familiar with practical affairs relating to the cattle industry in the Southwest.

Mr. SMOOT. No representative of any cattlemen's organization from the West of any kind has ever intimated that to me, and I have held conference after conference with the Secretary of Agriculture and these representatives, and this is the first time I have ever heard of it.

Mr. ASHURST. The Senator says he has had conference after conference with the Secretary of Agriculture. Of course, the Secretary of Agriculture would not convey any such information to the Senator.

Mr. SMOOT. No; but—

Mr. ASHURST. The department officials, if they act as they have in the last three or four years in the Forestry Bureau, would conceal the information from the Senator.

Mr. SMOOT. I added that the conferences also included representatives of the stock interests of the United States.

Mr. ASHURST. The Senator has not conferred with representatives of the cattle industry from Arizona, because they are unanimous in their sentiments. They are on the brink of destruction. Bankruptcy is staring them in the face whilst an indifferent and cold-hearted Forestry Bureau looks on.

Mr. BURSUM. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from New Mexico?

Mr. ASHURST. I yield.

Mr. BURSUM. I merely wanted to call to the attention of the Senator from Utah the fact that there is a demand for a reduction in the fees; that is, that it is thought they are too high. I think they are too high. I think three times the cost is too much, and that the fees ought to be reduced. As to the present situation in the Southwest, it is notorious that that country has been greatly afflicted by drought.

Mr. SMOOT. I know that to be a fact.

Mr. BURSUM. The ability of the stockmen to pay the charges does not exist. They can not pay them. There must be some concession and some temporary relief to meet that situation, because there is no way of their getting the money necessary to enable them to meet these charges.

Mr. SMOOT. What I have been fearful of and what I have opposed up to this time is an increase in the grazing fees. The Senator knows that an increase was recommended, and that almost a hundred per cent increase in the fees on the forest reserves was about to be put into operation. The opposition has been against that action. There is no doubt about that. The Senator from Colorado [Mr. PHIPPS] introduced a bill to reduce the present fees.

Mr. BURSUM. That is true, and I believe the bill of the Senator from Colorado would help matters greatly. It is quite a fair bill.

Mr. SMOOT. I wanted to say to the Senator from Arizona that I do not know whether Mr. Marshall and the two men from the other two States of the West with whom I have talked about this represented the national association or not. I think they do. I think Mr. Marshall is president of the national association. I do know this, that Mr. Marshall and the two men with him were fighting here against an increase in the fees upon the forest reserves. Not only that, but the Department of Agriculture required that an agreement be made for 10 years, and that they were fighting, and, as I understood, a compromise was reached that the fees should remain as they are for the next two years and that whatever legislation shall be passed within that two years will be satisfactory.

Mr. BURSUM. Mr. President, I want to call just one more matter to the attention of the Senator from Utah. The unreasonableness of the grazing fees can be readily seen when the value of the cattle is taken into consideration. The numbers of the cattle have gone down more than two-thirds in the last three years. In some instances the losses have been equivalent to 50 per cent of the herds. There has been no increase

and no revenue; there have been no earnings. Of course, it is manifest that a raising of the fees after all that, exacting three times the costs, would be absolutely unreasonable and unjust.

Mr. SMOOT. The position I take does not differ at all from the Senator's position. I received a letter from the southeastern part of the State of Utah, adjoining Arizona, in which it was said that nearly 70 per cent of all the cattle had died in that section for the want of water.

Mr. ASHURST. That bears out my statement about the drought.

Mr. SMOOT. I did not want the Senator to understand for a moment that I questioned that, but I think the Senate ought to know that this agreement has been made for the next two years, that the fees should not be changed unless Congress acts.

Mr. ASHURST. Does the Senator think an agreement of that sort should stand, when its results would be to drive many, if not most, of the cattlemen into bankruptcy?

Mr. SMOOT. Mr. President, I know why that agreement was entered into. It was because of the fact that Forester is demanding that the fees be increased a hundred per cent, or nearly a hundred per cent.

Mr. ASHURST. I am glad the Senator brought out that fact. Here, in the hour of their necessity, when the cattlemen are about to be ruined, stands the Forester, who ought to promote the cattle interest, demanding that grazing fees be raised 100 per cent.

The Senator from Utah has put his finger upon the viciousness of this bureaucracy, and Congress ought to assert itself to these bureau chiefs who do indeed shuffle papers, but who as a rule have no familiarity with the problems of the forest and who, when they go West, simply attend a few banquets, but never go out upon the ranges and hence acquire no practical knowledge of these problems.

I have tried to perform my duty. I wish to conclude with the statement, that if any Senator, if the bureau, or the department challenges the accuracy of my statements, I dare them to send a committee of Senators to Arizona.

Mr. KING. Mr. President, will the Senator yield?

Mr. ASHURST. I yield the floor.

Mr. CAMERON. Mr. President, I wish to make a few remarks on the subject which has just been taken up by my able colleague from Arizona [Mr. ASHURST]. The colloquy carried on between the Senator from Utah [Mr. SMOOT] and others was in such a low tone that it was impossible for me to hear what was said, and consequently I make my remarks somewhat in the dark as to what has been said by Senators this morning.

I wish to make a few remarks on Senate Joint Resolution 169, which I introduced recently in the Senate with a purpose of giving some kind of emergency relief to the livestock industry of the West.

I recently spent several weeks in Arizona and other Western States and came in contact with hundreds of the leading men of this great industry. To a man they told me of the deplorable conditions they have faced for the past few years, and even went so far as to say that this great industry was becoming annihilated.

It is my honest judgment that a great percentage of these worthy people would gladly turn over everything they have in the way of assets if they could liquidate their obligations. In a word, the livestock industry in my State is bankrupt and has been so for the past year or more. They have held on as long as they possibly can, and the only way I could possibly think of for Congress to extend at least some encouragement, in the time given at this short session, would be by the passage of a resolution such as I have introduced, and this great industry needs encouragement.

The Department of Agriculture brings to our attention the fact that if grazing fees are waived a portion of those engaged in the livestock industry will secure an additional advantage, when they are already in a superior position of non-permittees. I do not agree with that, because the whole industry is to be considered as such, and anything that tends to help a great part of it will surely help the others. I mean by this that if these fees are waived the permittees of the West will have such encouragement that it will tend to stabilize the credits extended by local banks, business houses, and other sources of credit to all of the industry, while if they fail, to which they are doomed under present circumstances, non-permittees will be affected by such an industrial upheaval.

I point out further that on the heels of the war grazing fees were raised to a point of \$1 a head, where the fee had originally been 35 cents. Through the period of deflation and depression that followed the war the higher grazing fees that

were in existence were paid to the limit and a waiver for one year, even if called a subsidy or bonus, is not without precedent and could be construed as a remission of exorbitant fees heretofore paid.

I have hundreds of telegrams and letters from every section of my State and other States approving this joint resolution, and not a single protest have I received. They come from the banking interests, other business sources, and the livestock men themselves. State legislatures have memorialized Congress to pass such a resolution, and our Government in the past two or three years has extended the helping hand to many other industries, while this great basic livestock industry has received no encouragement whatever, but has gone deeper and deeper into financial ruin and bankruptcy.

The situation is appalling, and an emergency exists; and even though the department points out that 35 per cent of all fees collected go to the local schools and roads, the fact is they can not be collected, and even if they could be collected, these same worthy people can best do without additional schools and roads for the next year while they are paying the exaction of these exorbitant fees. The department points out further that the forests are valuable public resources. I believe that in an emergency a resource should be sacrificed to save a great basic industry from utter annihilation.

The intermediary credit banks established under the late law have absolutely fallen down in handling the problem of credit and taking care of these livestock men, and there is no Government agency that can give relief; and the passage of my resolution, even if it does favor a certain percentage greater than the other part, will have its greatest result in the fact that it gives encouragement to these worthy people to hold on until Congress can make an appropriate study and a program evolved by which the situation can be properly solved.

At this juncture I wish to have read from the desk a letter recently received by me.

The PRESIDENT pro tempore. The letter will be read.

The principal legislative clerk read as follows:

ARIZONA LIVESTOCK LOAN CO.,
Flagstaff, Ariz., January 10, 1925.

HON. RALPH CAMERON,
United States Senate, Washington, D. C.

MY DEAR SENATOR: It is known in fact that you are as much interested in seeing a continuance of the livestock business in Arizona as any other individual. You, furthermore, appreciate very well that handicaps have been forced on this important industry during the period since the recent war.

On top of these handicaps of lack of market for products and forced sales of parent stock in order to bring in as much money as possible to enable continuance of operation, it is found that the United States Forest Service made "capital" of the war prices for beef and mutton for obtaining an increase from 35 cents to \$1 per head for the grazing of the cattle. The same proportionate increase was put in force for grazing of sheep.

It is appreciated that the Appropriations Committee in the House of Representatives rather demanded that the expenses of management of the national forests be equaled by the revenue therefrom. * * * Those ideas, perhaps, are factors in the hardship prevailing due to the increase in grazing fees on top of financial difficulties, lack of market, and insecure future preferences on the national forests for both cattle and sheep.

Grazing is a mere by-product of the national forests. The perpetuation of the timber and the marketing of the yearly growth of the trees is, we believe, the main purpose for the creation of the national forests. Therefore, to require a by-product to carry the load is not just.

The cattle and sheep business requires whatever assistance that can be given at this time in order to effect a stabilization of the industry. In thinking of the meaning of the slogan "Back to normalcy," why not give some thought to the livestock business? Does the present situation justify a charge of \$1 per head per year for cattle when 35 cents per head per year was in force less than 10 years ago?

The cattle and sheep men are economizing in every way possible. They are looking to you to do what may be possible to assist them. We believe that a resolution might be put through Congress suspending the collection of all grazing fees for the years 1925 and 1926, with a reduction in the fees for the following years.

You well know that 50 per cent of Arizona does not belong to Arizona, but to the Federal Government. This in itself is the reason for doubling up, so to speak, on taxing of the area that is available for taxation purposes within the State. You might be surprised to have definite figures from the various counties of Arizona showing the delinquent taxes on properties of cattle and sheep men. This actual condition speaks for itself as to the financial condition of these men.

Arizona needs the cattle and sheep industries. May we count on your help to insure their perpetuation?

Very sincerely yours,

BABBITT BROS. TRADING CO.
DAVID BABBITT, President.

Mr. CAMERON. Mr. President, I have another communication, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The Clerk will read as requested.

The principal legislative clerk read as follows:

THE FIRST NATIONAL BANK,
UNITED STATES DEPOSITORY,
Nogales, Ariz., January 9, 1925.

HON. RALPH CAMERON,
United States Senate, Washington, D. C.

MY DEAR SENATOR: We wish to bring to your attention a condition existing in this State now, also in other States in which there are forest reservations, and your particular attention is directed to the increase in rate for grazing permits, which was 35 cents prior to the war and now is \$1 per head per annum.

More or less 50 per cent of the lands in this State have been withdrawn for forest and other reservations; that reduces the lands which would be available for taxes and makes the county and State tax rate very high.

During the past several years many cattlemen have failed, due to drought and depression in the cattle markets; others have been able to hold on by reason of having denied themselves every ordinary comfort, and each year they find it is harder to accumulate funds enough to pay their grazing permits, and very few own sufficient lands to take care of their requirements for feeding purposes.

From a banking standpoint we have seen many failures, and unless the United States Government does something to ease the situation it is my opinion that within a few years there will be a great shortage in beef. As fast as is possible the cattlemen are seeking different occupations, and they should be encouraged to continue the cattle industry.

Will you not endeavor to take this up in such a manner as to bring about a reduction in the forest grazing fee for the next two years?

With kindest regards, I am,

Very truly yours,

BRACEY CURTIS, President.

Mr. CAMERON. I have another communication which I would like to have read. I send it to the desk for that purpose.

The PRESIDENT pro tempore. The clerk will read as requested.

The principal legislative clerk read as follows:

THE PRESCOTT STATE BANK,
Prescott, Ariz., January 30, 1925.

HON. RALPH CAMERON,
Senator from Arizona,
127 Senate Office Building, Washington, D. C.

MY DEAR SENATOR CAMERON: Knowing that you have been quite active in endeavoring to waive all requirements by the department with respect to grazing fees for the year 1925, will state that everyone, including ourselves, interested in this proposition commends your course very highly, indeed, and sincerely trust that you may be actively joined by Senator ASHURST and CARL HAYDEN in order to obtain the relief for our livestock men which is so essentially necessary and absolutely just and fair in the premises.

With kindest personal regards from the writer, remaining,

Very truly yours,

R. N. FREDERICKS, President.

Mr. CAMERON. I also have another letter which I send to the desk and ask to have read.

The PRESIDENT pro tempore. Does the Senator desire to have the letter read or merely printed in the RECORD?

Mr. CAMERON. I want it read at the desk.

Mr. ASHURST. Mr. President, I am very glad that my colleague is having the letters read. It has been stated here that Senators did not know of the necessity for the reduction or cancellation of the grazing fees for this year. I have no doubt my colleague will be able to present letters from banks, from cattlemen, sheepmen, men of all walks of life, so that if any Senator hereafter pleads ignorance of the question, it will be a shameful ignorance if he shall plead it.

The PRESIDENT pro tempore. The Clerk will read as requested.

The principal legislative clerk read as follows:

THE BANK OF ARIZONA,
Prescott, Ariz., January 19, 1925.

HON. RALPH CAMERON,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: I must write you again in regard to the cattle situation here. I do not think one would exceed the truth were he to

say that fully 75 per cent of the cattlemen are practically bankrupt. A good many are already completely out. Many things have contributed to this situation. For some the cattlemen are responsible and for some they are not. They are now right up against the real thing, and there is no gainsaying this fact.

There is one thing the Government can do that will not smack of paternalism and that is to remit forest fees for, say, two years, or until the industry can get on its feet again. It is no answer to say that all but 10 per cent—or some other figure—have paid up as in so many cases these payments have been made on borrowed money, the outfits already being mortgaged for as much as or more than they are worth, and in many cases the fees have been paid by selling at ruinous figures the breeding stock. The forest permittees have been given to understand that unless they pay up they would get no further forest privileges and would be subject to trespass suits, ejectment, etc.

The time has come when the banks and others can no longer make advances and stand to lose substantial amounts on advances already made.

The last few years have been exceptionally dry, and there is so little feed on the forest that supplementary feed is necessary in order to keep the stuff alive, and in the face of all this the fees have been raised from the neighborhood of 30 cents to now \$1 a head, with the prospect of an increase in the near future. The cattlemen are fast losing their grip and are about ready to throw up the sponge. Another fact that enters into the situation is this: That on a number of the ranges young forest growth, such as pines, is rapidly destroying the value of the ranges for range purposes. One cattleman said to me not long since that at the present rate his range would not be worth having, as all grasses would have been crowded out by the pine trees.

I am glad to know that our good President is turning attention to the cattle industry, and I have hope that something can be done before it is entirely wiped out. Will you not lend your aid?

With kindest personal regards, I am

Yours very truly,

M. B. HAZELTINE,

Vice President.

Mr. PHIPPS. Mr. President, will the Senator yield to me for a very brief statement? I do not desire to take the Senator from the floor, but merely wish to make a very short statement because I am now due at an important conference.

Mr. CAMERON. I am glad to yield to the Senator from Colorado.

Mr. PHIPPS. I wish to say that in December, 1923, Members of the House and Senate from the Western States were called in conference at the Department of Agriculture and there met with the Secretary, the Chief Forester, and others, and I think for the first time received definite intimation of the purpose of the Department of Agriculture to practically double the grazing charges in the national forests. The suggestion did not find any support on the part of any of the Senators or Representatives present, as I recall it.

I immediately took cognizance of the matter, made inquiries, and learned that the department was receiving in fees over double the amount that was being expended for taking care of the proposed ranges. I felt that the Government should not make a money-earning proposition out of the national forest reserves. Thereupon I endeavored to arrive at figures that would enable the department to receive in net fees the cost of administration. In pursuing the subject it became apparent that the forest reserve land should pay some measure of taxation to the counties in which the land was located. With that in mind a bill was formulated, which was afterwards modified upon careful study and consideration by the Committee on Agriculture and Forestry, and a clause was added providing an important feature—that is, a board of appeals—so that complaints on the part of those using the forest reserves as to regulations imposed by the forest rangers and others might be heard. That bill, being Senate bill 2424, passed the Senate about three weeks ago. It has been under consideration in the Committee on Agriculture of the other House. I understand that another hearing on that bill is under way this morning.

That bill would reduce the present schedule of charges 25 per cent, and instead of returning 33½ per cent of the receipts to the States or the counties in which the land is located, would return 50 per cent of the gross collections; so that, in effect, the Department of Agriculture would conduct the administration of grazing in the forests and come out even without having any surplus to go into the Federal Treasury, the surplus over the cost of administration going, as I have stated, to the counties. I am hoping that the bill will be passed; I think there is good reason to believe that it will have the support of the Committee on Agriculture in the House and be acted upon before the close of the present

session. It has been unanimously supported by all of the grazing organizations, so far as I am aware.

Mr. President, the other bill, being Senate bill 4076, was formulated for the purpose of providing proper regulations and control of the public domain when used for the purpose of grazing, to dispose of the fencing, to take care of the homesteaders and others who are interested, to permit the grazing of livestock for domestic uses without charge, and to give proper preference to those who desire to use portions of the public domain adjacent to their homesteads.

Mr. President, the Committee on Public Lands and Surveys of the Senate has given some consideration to that bill. It may be that slight changes or modifications are desirable. With that in view, the chairman of the committee has named a subcommittee to give that measure study and attention. It was the conclusion of the committee, however, that in the short remaining time of the session it would not be possible to secure affirmative action in both the Senate and the House, but the subject is an important one; and if matters are allowed to go on during the coming summer, the bill will be studied, the question in dispute can be determined, and early action can be had at the next session of Congress. In the meantime I know it to be the disposition of the Department of the Interior to put no difficulties in the way or to make no trouble for those who are now using the public domain free of charge.

Mr. KING. Mr. President, does the Senator from Colorado mean the Department of the Interior or the Department of Agriculture?

Mr. PHIPPS. I mean the Department of the Interior, which has control of the public domain outside of the national forests.

Mr. EDGE. Mr. President, will the Senator yield to me for a question?

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from New Jersey?

Mr. PHIPPS. I do.

Mr. EDGE. I came into the Chamber as the Senator was concluding that portion of his address dealing, as I understood the Senator's explanation, with the return to the States or municipalities of certain amounts in lieu of taxation on account of the land being Government-owned property. I am wondering if in considering that whole subject—which is a very important subject, and, if I understand the Senator's statement, some bill has been prepared or is in course of preparation dealing with the matter—consideration has been given at all to other activities of the Government that have taken large stretches of territory and valuable sections of large cities for governmental reservations? I have in mind particularly the Hoboken situation, in my State, where the old German docks were taken over by the Government for the Shipping Board, and properly so, and are still being used for governmental purposes, thus taking from the city of Hoboken, as I recall, about one-sixth of its previous tax returns. It is a very important question, and I am very much interested in the Senator's explanation. I am wondering if some general policy could not be established on the part of the Government which would contemplate all of the governmental activities in various sections of the country.

Mr. PHIPPS. I will say to the Senator from New Jersey that that had not occurred to me. It may be a suggestion well worthy of consideration, and I shall be very glad if the Senator will pursue the subject if he desires so to do. I thank the Senator from Arizona [Mr. CAMERON] for his courtesy.

Mr. CAMERON. I thank the distinguished Senator from Colorado for his observations, and merely add that I am strongly in favor of legislation such as he has in mind. I say further that those matters will take time to work out, and my resolution does not conflict, but merely gives an emergency relief for 1925, encouragement, if you please, to these worthy stockmen to hold on until the situation can be studied; but let me say it is nine months until next Congress, and surely when we now have the opportunity to give a mere pittance in relief it would be the wise thing to do and show these people we are working on the serious problems confronting them instead of shutting the door of hope and relief in their face for another year while we are thinking it all over.

Mr. KING and Mr. BURSUM addressed the Chair.

Mr. CAMERON. I yield first to the Senator from Utah.

Mr. KING. In view of the statement just made by the Senator from Colorado [Mr. PHIPPS]—and I ask the attention of the Senators from the Southwest—to the effect that a study is to be made of this subject during the summer with a view to determining what policy should be pursued concerning the leasing of the public domain, does not the Senator from Colorado think that the time is ripe to press for a session by

the Federal Government to the public-land States of all the public lands within such States, unless it be the mineral lands? Such a policy would obviate all of these problems. It would give to the States the disposition of the lands; they would soon get into private ownership, and thus be subject to taxation; and the millions of dollars now spent by the Federal Government in maintaining a bureaucracy, which the Senator from Arizona [Mr. ASHURST] properly characterized this morning, could be saved.

I prepared a bill, may I say, when I was a young man in the House of Representatives years ago to cede the public lands to the States. I introduced the same bill when I came to the Senate eight years ago—it is now in the committee slumbering, but I hope it will not die—which provides for the cession of the public lands to the States.

I remember a few years ago the Governor of the State of New Mexico and other leading citizens of that State indorsed the proposition; many of the meetings which have been held by the Trans-Mississippi Congress and by the irrigation congresses have looked with favor upon the proposition. I believe the solution of this entire question would be immediately to cede to the States all of the unoccupied public domain within the public-land States, unless it be mineral lands. So far as I am concerned, I should favor ceding to the States the mineral lands also, but my bill leaves those lands out. Then the States could make such disposition of the land as they saw fit. I am sure that Texas and other States which at one time had public lands made a wiser disposition of them than the Federal Government has done.

I hope that my colleagues from the West will support my proposition. The Senator from Iowa [Mr. CUMMINS] has repeatedly stated here that he thought it was wise and that he would gladly support it; and I am sure that many of our eastern brethren will be glad to get rid of these lands and will join in aiding the passage of a measure to cede them to the States.

Mr. BURSUM. Mr. President—

Mr. SMOOT. Will the Senator from Arizona yield to me for just a moment?

Mr. CAMERON. The Senator from New Mexico [Mr. BURSUM] desires to interrupt me, and I first yield to him.

Mr. BURSUM. Mr. President, I merely wish to say a few words. The solution proposed by the junior Senator from Utah [Mr. KING] would no doubt relieve Congress of any further consideration of the controversy which has existed for many years relating to the administration of the public lands, and that it would be very fair to the States there can be no doubt. One of the great difficulties of the public-land States is to meet the requirements for development in view of the meager resources subject to taxation within their borders. So far the House of Representatives has never been willing to accede to the suggestion to cede the public lands to the States. I think that proposal is right; I believe it to be sound, and I think it would benefit all concerned, for the reason that the Federal Government has never made a dollar out of the administration of the public lands; indeed, it has incurred great losses and deficits. I can see no good to come from the present method of handling the public lands.

However, we are up against this situation: The average citizen of the East is not familiar with the character of the western lands. He figures values by acreage. One hundred and sixty acres in some States is very valuable, whereas 160 acres of barren, desert land is less than nothing; it has no value whatever. On the other hand, if these lands were turned over to the States they would be an asset. There is a clear demonstration of that fact in the administration of the lands donated to the State of New Mexico. New Mexico has a few million acres of land out of which the State has been able to aid the school fund to the extent of a million dollars a year, and has turned what resulted in a deficit and a loss to the Government into an asset to the State government. That is due largely to the fact that such lands have been handled locally by people who understand the situation.

The so-called leasing bill, I think, is of great importance to the livestock industry. Something must be done. The situation is that the cowmen, in order to take care of their herds, have been obliged in many places to construct what are commonly called drift fences to keep the herd of one man from mixing with the herd of his neighbor, to keep the brands separate, to keep from "chousing" and running the cattle, and to save expense. These lands are not being stopped by homesteaders. There is no instance of which I know within my State where any homesteader has been deprived by reason of drift fences from making an entry. On the other hand, there is a law which prohibits the construction of fences on the

public domain. The department has stated that that law will be enforced. It has been suspended from year to year during the war by Executive order, but it has been decided that it will not be suspended any longer. If the law is enforced and those who have constructed fences on the public domain are prosecuted, it will be the means of creating a great hardship upon the many people and doing no one any good. I think, unless there shall be provided some kind of public grazing control or the lands shall be turned over to the States, a resolution should be adopted by the present Congress which would authorize the executive department to suspend the provisions of the law at least for one year, until some other adequate provision may be made by legislative enactment.

Mr. CAMERON. Mr. President, I thank the Senator from New Mexico for his valuable observations, as he is a practical stockman and knows conditions. I ask to have read another letter.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Is there objection? The Chair hears none, and the Secretary will read as requested.

The principal clerk proceeded to read the letter.

Mr. HEFLIN. Mr. President, I wish to assure my good friends from Arizona that I am in hearty sympathy with them in this matter, but we have consumed over an hour here reading letters and petitions and in debate. If any action is proposed to be taken, I am ready to join with them; but we have another order mapped out for the day, the consideration of a measure of great importance to the whole country, and I am wondering how much longer it will take to dispose of this matter.

Mr. CAMERON. Mr. President, I should be pleased to comply with the request of the Senator from Alabama; but this is a very important matter, possibly as important a matter as our Western States have ever had before Congress. If the Senate will allow me to have all these letters and telegrams printed in the RECORD, and allow me to bring up my joint resolution by unanimous consent and take a vote on it right now, I shall be very happy to have that done.

Mr. HEFLIN. So far as I am individually concerned, I have no objection to it.

Mr. CAMERON. I ask unanimous consent to have these letters and telegrams printed in the RECORD, and also to bring up Senate Joint Resolution 169.

The PRESIDING OFFICER. Is this all one request, or is one conditioned on the other?

Mr. CAMERON. One is conditioned on the other, Mr. President.

The PRESIDING OFFICER. The Senator from Arizona asks unanimous consent that all these telegrams and letters, and so on, be printed in the RECORD, under the condition that the Senate also give unanimous consent for the consideration of the joint resolution to which he refers.

Mr. CURTIS. Mr. President, we have a conference report before the Senate. The bill was considered for weeks and weeks; and I do hope the Senator will not ask for the consideration of his joint resolution to-day, but will let it go over.

Mr. CAMERON. It will take only a moment, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. CURTIS. Wait a moment. If the joint resolution will take only a minute, I suggest that the Senator from New Hampshire [Mr. KEYES], having charge of the conference report, agree to lay aside temporarily the unfinished business in order to pass the joint resolution. If it is going to take up time, however, the Senator ought not to ask for it.

Mr. ASHURST. Mr. President, will my colleague yield to me?

Mr. CAMERON. I yield; certainly.

Mr. ASHURST. I assure Senators that so far as my colleague and I are concerned, we do not wish to delay the adoption of the conference report one minute; but we should be false to every person in our State if we failed now to use every bit of energy at our command to try, so far as in us lies, to secure relief for our people. If we can have a vote on my colleague's joint resolution, he, as he says, will ask unanimous consent to include these other letters in the RECORD; but if he is to be denied the privilege of a vote I would not blame him if he read letters until the sun went down.

Mr. HEFLIN. Let us have the vote if we can.

Mr. ASHURST. All right.

The PRESIDING OFFICER. The Secretary will state the joint resolution to which the Senator refers.

The reading clerk read Senate Joint Resolution 169, authorizing the Secretary of Agriculture to waive all requirements in

respect of grazing fees for the use of national forests during the calendar year 1925, as follows:

Resolved, etc., That upon application therefor the Secretary of Agriculture is authorized and directed, under regulations to be prescribed by him, to waive all requirements in respect of grazing fees for the use of national forests during the calendar year 1925 or any part of such calendar year.

The PRESIDING OFFICER. This is a joint resolution?

Mr. CAMERON. Yes, Mr. President.

The PRESIDING OFFICER. Has it been reported from a committee?

Mr. CAMERON. It has been reported and is on the calendar.

Mr. ASHURST. It has been reported favorably, unanimously, by the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. If the Senator will just let the Chair have an opportunity to state the situation, the Senator from Arizona asks unanimous consent for the present consideration of the joint resolution just read, and that he may print in the RECORD the letters and telegrams to which he has referred. Is there objection?

Mr. KENDRICK. Mr. President, before the vote is taken I should like to say just a word on the question that we have been discussing here for more than an hour.

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Wyoming?

Mr. CAMERON. Just for a question.

The PRESIDING OFFICER. The Senator from Arizona yields simply for a question.

Mr. KENDRICK. I will wait until the Senator has concluded; but before the vote is taken I should like to say a word.

Mr. HEFLIN. Mr. President, if the Senator from Arizona will permit me, I understand the Senator from Wyoming to state that he would like to be heard for about five minutes before a vote is taken on the Senator's joint resolution.

Mr. CAMERON. Very well.

The PRESIDING OFFICER. The Chair has submitted to the Senate the unanimous-consent request. Is there objection to the request of the Senator from Arizona?

Mr. UNDERWOOD. Mr. President, I realize the importance to the State of Arizona and the western country of this joint resolution. I also realize the importance of the pending business, the unfinished business of the Senate. If the Senator will include in his request a stipulation that no speeches on his joint resolution shall be for more than five minutes, so far as I am concerned, I shall not object.

Mr. CAMERON. I will include that in my request.

The PRESIDING OFFICER. The Senator adds to his request that speeches upon the joint resolution be limited to five minutes. Is there objection to the request of the Senator from Arizona? The Chair hears none.

The letters, telegrams, etc., referred to by Mr. CAMERON are as follows:

COPPER CITIES BANK,
Globe, Ariz., January 16, 1925.

Hon. RALPH CAMERON,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In the matter of a letter that has been forwarded to your office by J. R. Hampton, of Phoenix, Ariz., relative to the deplorable condition now existing among the cattlemen of this State, wherein some relief is sought from the Forest Department, I beg to add my appeal for such consideration as can reasonably be given to us in this matter.

You, as an Arizonian, can better understand the conditions of the cattlemen than those who are not familiar with the conditions that have existed here the past three years.

Depleted ranges because of an insufficiency in rainfall, no demands for cattle, which has made it impossible for the permittees to move cattle, it matters not how hard they may have tried to do so, the high rate of taxes, increased grazing fees, penalties because they have not removed cattle—all combined have added to their burdens to the point where they are throwing up their hands, and an industry that has meant much to Arizona is about to be wiped out.

It is impossible to produce cattle in our section of the country at a profit under present conditions.

If the ranges must revert to the Government and become unstocked, it will largely be because of the attitude of the Forest Department. They will immediately say that they have been lenient, and that they have given the cattlemen every opportunity, but they do not understand the conditions.

If there is anything you can do in this matter toward having the fees reduced and eliminating the penalties, or any other relief that will enable them to continue their operations, it will be appreciated.

Yours very truly,

MARK HICKS.

EAGER, ARIZ., January 30, received January 31.

Hon. RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

It is resolved by Springerville Live Stock Association that the proposed bill for the waiving of the grazing fees on the National Forest of Arizona for year 1925 is a godsend to the cattlemen of Arizona and the only sure way to put one of the Arizona's great industries on their feet again. We are back of you Senator Cameron.

W. B. EAGER,

GEO. A. EAGER,

Chairman of Advisory Board.

FLAGSTAFF, ARIZ., February 1, 1925.

Hon. RALPH H. CAMERON,

127 Senate Office Building, Washington, D. C.:

We feel very strongly that passage of your bill to waive grazing fees on national forests will be much appreciated by livestock interests of the entire West, and that the industry, in view of all circumstances, is entitled to this consideration from the National Government.

THE ARIZONA CENTRAL BANK.

HEREFORD, ARIZ., January 31, 1925.

Hon. RALPH CAMERON,

127 Senate Office Building, Washington, D. C.:

Referring joint resolution grazing fees, 1925, your timely efforts in behalf of Arizona cattlemen thoroughly appreciated by all concerned. Outlook for cattle interests, present year, again extremely unfavorable account almost complete absence of rain. We hope no efforts will be spared to secure passage of pending bill which would prove material help to industry.

ARTHUR HZACHAU,

Agent Boquillas Land and Cattle Co.

NOGALES, ARIZ., January 29, 1925.

Hon. RALPH H. CAMERON,

United States Senate, Senate Office Building, Washington, D. C.:

Thanks for introducing bill for waiving payment grazing fees on national forests during 1925, in view of the heart-breaking reverses the cattlemen of the West have been through the past two years, especially in our district this relief is badly needed.

EUGENE SHEPHERD,

Manager Arivaca Land and Cattle Co.

PHOENIX, ARIZ., January 31, 1925.

RALPH CAMERON,

Member of the Senate, Washington:

Arizona Wool Growers' Association in session at Phoenix, January 30-31 unanimously indorsed Senate Joint Resolution No. 169 and request passage this session.

H. B. EMBACH, Secretary.

DOUGLAS, ARIZ., January 28, 1925.

Hon. RALPH H. CAMERON,

Senator from Arizona, Washington, D. C.:

Accept appreciation for introduction Senate Joint Resolution 169 lift grazing fees Government lands for cattlemen for year 1925; this absolutely important we cattlemen. Extended drought and conditions of cattle industry practically left cattlemen out of business. If resolution should pass would be life-saver to cattlemen.

C. C. KIMBLE.

NOGALES, ARIZ., January 28, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

Relief sought by resolution introduced by you January 19 in the Senate is badly needed in Santa Cruz County, three-quarters of which is within national forests, and we much appreciate the great service you are rendering the cattlemen of the West. A majority of our cattlemen have been compelled to abandon their ranches due to drought and market conditions in the past three years, and those remaining in the district need this relief to help get them on their feet.

P. G. CLAGETT,

Chairman Livestock Committee of the
Nogales, Ariz., Chamber of Commerce.

CAMP VERDE, ARIZ., February 1, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

Resolution providing for waiving of 1925 grazing fees on national forest as introduced in Senate by you will greatly aid the stockmen in this drought-stricken district. We urge its passage.

LOWER VERDE CATTLE GROWERS' ASSOCIATION,
By J. H. WINGFIELD, Secretary.

Senator RALPH H. CAMERON,
CLIFTON, ARIZ., February 1, 1925.
Washington, D. C.:

Do utmost to secure passage of bill for free grazing on national forests. Grass situation desperate here.

Mrs. O. J. COTEX,
President Clifton Woman's Club.

Senator RALPH H. CAMERON,
DOUGLAS, ARIZ., January 28, 1925.
United States Senate, Washington, D. C.:

Hope you will use your influence toward having stockmen exempted from paying forest rental for two years owing to drought and low prices. Cattlemen are on their last legs, and they need any help that can be extended if we are to continue in business.

F. P. MOORE,
President Cochise Graham Cattle Growers' Association.

Hon. RALPH H. CAMERON,
TUCSON, ARIZ., January 30, 1925.
United States Senate,
Senate Office Building, Washington, D. C.:

Most of livestock producers using national forests in this vicinity encountering the most serious drought and financial conditions in many years. Respectfully urge your support of move to have grazing fees waived for this year in line with various resolutions passed.

R. E. BUTLER,
President Tucson Clearing House Association.

Senator RALPH H. CAMERON,
PRESCOTT, ARIZ., January 30, 1925.
Senate Office Building, Washington, D. C.:

We earnestly urge and cattle industry demands adoption of resolution relieving it payment grazing fees national forests, Arizona, second half year 1924 and all year 1925, joint resolution January 19. Cattle industry, on account most cattlemen heavily involved financially and unusually poor range feed year, is facing ruin unless every step taken relieve them. State officials, banks, and merchants all extending all possible assistance. Forest Service only interest which has to do with cattle industry expense which so far have not cooperated. Banking business can not carry any additional loans for cattle and do justice other business. Immediate relief necessary. Action required now. Relief from payment grazing fees would assist materially.

THE PRESCOTT STATE BANK.
By CHAS. H. HINDERER,
Vice President and Cashier.

Hon. RALPH H. CAMERON,
PATAGONIA, ARIZ., February 4, 1925.
United States Senate, Washington, D. C.:

We, the undersigned cattlemen of this district, earnestly request you do everything possible to secure passage joint resolution canceling grazing fees for 1925. We have gone through four disastrous years, losing money each year. Outlook for this year extremely dubious account lack of rains, making another drought very probable. Have been burdened with high living costs, taxes, interest, and other overhead expenses that must be met right along. An abatement of grazing fees for this year would prove a great relief to us.

H. B. RIGGS,	PETE BERGIER,
LEROY E. MILLER,	A. C. BEST,
JOHN MADSEN,	G. L. STEVENS,
T. E. HEADY,	A. S. HENDERSON,
WM. HEADY,	C. A. PIERCE,
Mrs. C. DELAOSA,	B. ZALDWIN,
Mrs. C. B. CAREY,	A. L. KINSLEY,
HERMAN BENDER,	J. I. JONES.

Senator RALPH H. CAMERON,
NOGALES, ARIZ., February 4, 1925.
United States Senate Office Building, Washington, D. C.:

Due to drought and critical financial condition of the stock industry of our State and county, we, the Board of Supervisors of Santa Cruz County, Ariz., wish to indorse and urge the passage of a joint resolution introduced in the United States Senate by Senator CAMERON, waiving national forest fees for the year 1925.

BOARD OF SUPERVISORS OF SANTA CRUZ COUNTY, ARIZ.
By A. DUMBAULD, Clerk.

PHOENIX, ARIZ., January 24, 1925.

Senator RALPH CAMERON,
United States Senate, Washington, D. C.:

There has been introduced in the senate a memorial asking Congress to provide necessary urgent legislation waiving grazing fees for 1925 and 1926. Memorial will be reported out of committee very shortly and believe it will receive unanimous support of both houses.

WAYNE THORNBURG,
Chairman Senate Livestock Committee.

THE BANK OF DOUGLAS,
DOUGLAS, ARIZ., November 23, 1924.

RALPH H. CAMERON,
United States Senate, Washington, D. C.:

We heartily indorse resolution introduced by you waiving grazing fees on Government land for 1925. This will be a needed help to Arizona stockmen.

BANK OF DOUGLAS.

COCONINO CATTLE CO.,
Jerome, Ariz., January 15, 1925.

Senator RALPH CAMERON,
Washington, D. C.

My DEAR SENATOR: The growing tendency of the Forest Service to increase grazing fees, to make a charge for every little permit given, without any increase in grass, water, or services given to the stockman is the incentive for this letter.

Years ago when the forest reserves were first located and charges made the cow and sheep man, the charges were placed at 35 cents for cows and horses (I don't know the sheep rate, as unfortunately, we have never been interested in them financially), and we welcomed the proposition, as we figured that it would give us some protection from overgrazing, protect us in the development of water. At that time the business was prosperous.

To-day the rate on cattle is \$1, and we know that the Forest Service is seriously considering a 100 per cent or more raise, with no additional protection, no more grass, no more water than the Lord provides, and always looking for a chance to make a charge for this little "special permit" or that little favor.

To-day 9 out of 10 of the cattlemen are bankrupt, many of them are in arrears in both range fees and taxes.

To-day, to raise money for grazing permits, taxes, and money loaners, thousands of head of cattle are being pushed on the markets in Los Angeles, San Francisco, Denver, and Kansas City that are half fat or less; ruining the markets, the stockmen, and in many cases the money loaner is booking a loss also.

Why bleed this industry that is so important to all the people to the last drop? The Government is not running its forest reserves as a money-making proposition; many of the forest reserves are self-supporting as they now stand; but in the main they are being operated for the benefit of the people in general, and often for the direct benefit of people and lands hundreds of miles away, and in all cases for generations to come.

Years ago the cattle-raising industry was considered one of the most stable, now, principally due to the ever-increasing uncertainty of the Forest Service's policy, it is one of the most risky by bankers and investors.

We ask your earnest cooperation in putting this very important arm of food production upon a stable basis, and for any favors you can extend, we most heartily thank you.

Very sincerely yours,

COCONINO CATTLE CO.,
WALTER C. MILLER.

ARIZONA INDUSTRIAL CONGRESS,
January 26, 1925.

Hon. RALPH A. CAMERON,
United States Senate, Washington, D. C.

My DEAR SENATOR CAMERON: The directors of the Arizona Industrial Congress, at their meeting on January 24, unanimously approved a resolution requesting that you support a measure eliminating the grazing fees on the national forests during the year 1925.

Representatives of all other industries in the State feel that livestock should have every encouragement and support during the coming year, so that this industry may not be entirely eliminated as an asset to Arizona.

We will greatly appreciate any assistance you can render.

Thanking you, and with kind personal regards, I am,

Sincerely yours,

P. G. SPILSBURY, President.

PINE ARIZ., February 4, 1925.

Senator RALPH H. CAMERON,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAMERON: The Pine Cattle Growers' Association go on record as being in favor of the resolution introduced by you on January 19 for the waiving of the grazing fees on national forests for the year 1925.

This association represents 17 grazing permittees in this community, and the passage of this resolution will greatly assist each stockman financially.

We certainly appreciate your efforts in this matter and wish you success in securing this bill.

PINE CATTLE GROWERS' ASSOCIATION,
FRANK C. RANDALL, President.

Hon. RALPH H. CAMERON,

PHOENIX, ARIZ., January 30, 1925.

United States Senate, Washington:

The Arizona Sheep Exchange, consisting of the following membership, most of which are permittees on the forest and all members of the Arizona Wool Growers, wish to extend to you our hearty cooperation on your efforts for a waiver of 1925-26 grazing fees, which is much needed owing to the severe drought in our State and the enormous expense necessitated thereby: Tom Pollock, Charles Deryder, Charles Button, Ed Sawyer, Dan Francis, Jose Montoya, Carlos Castillo, Mike Chaco, Milt Powers, C. Davis, Tom Hudspeth, Anthony Johns, Will Perkins, Jose Echineque, Julio Sanset, Elmer Duffields, Jaques Manuell Candillario, Tom Ortogo, Dave Ortogo, Bert Sutton, Frank Golsorry, A. Montrolla, A. Azcarate, Fletcher Bly, Bob Daggs, Nathan Bankhead, Harry Henderson, Lyla Perrin Almoore, M. Arrichao, R. Martinez, Cruz Arrazo, John Kuntz, Jose Alergo, Roy Garret, Pete Espeil, Louis Chiron, W. Wilkins.

E. R. CHAMBERS, Manager.

Resolution

Whereas the prices received for range cattle have been and are now below the cost of production; and

Whereas the season of 1924 experienced one of the worst droughts for years;

And further to jeopardize range conditions of the Black Hill permittees, the fumes from the stacks of the Clemenceau and Clarkdale smelters have seriously damaged the browse upon which our cattle depend for winter feed and which has compelled us to feed our cattle cottonseed cake and hay to save them from starvation; and

Whereas in his message to Congress it is the announced policy of the President to assist the livestock industry: Now, therefore, be it

Resolved, That the most effective assistance that can be rendered is the immediate elimination of grazing fees until conditions improve; be it further

Resolved, That you urge an immediate investigation by the Forest Department relative to range conditions adjacent to Clarkdale and Clemenceau, Ariz., and that a copy of these minutes be mailed to each of the Congressmen of Arizona and an additional copy to forest supervisor.

Dated at Camp Verde, Yavapai County, Ariz., this 17th day of January, 1925.

BLACK HILLS CATTLE GROWERS' ASSOCIATION,
By _____, President.
D. W. WINGFIELD, Secretary.

Senator RALPH CAMERON, SPRINGVILLE, ARIZ., January 29, 1925.
Senate Office Building, Washington, D. C.

DEAR SENATOR CAMERON: We cattlemen who have permits from the Forest Service on the Apache National Forest have had a hard time making ends meet in the cattle business for several years past, and although we expect better times, nevertheless we know that prosperity is not yet in sight.

We commend you very highly for your efforts in trying to have the Department of Agriculture, through the Forest Service, waive the collection of all 1925 grazing fees. We believe that this is right and just and we feel that the Government should at least show the cattlemen this small consideration in order to help them back on their feet. The prosperity of the cattlemen indirectly has its bearing on the prosperity of the Nation.

We are—

Very respectfully yours,

E. A. Burk, Springerville; Enos Pipkins, Springerville, Ariz.; Melvin Brown, Springerville, Ariz.; E. J. Saffell, Springerville, Ariz.; J. T. Campbell, Springerville, Ariz.; J. R. Coleman, Springerville, Ariz.; Jas. K. Udall, Eagar, Ariz.; Willard O. Hamblin, Eagar, Ariz.; Lee Hamblin, Eagar, Ariz.; W. B. Eagar, Eagar, Ariz.; Ellis W. Lund, Eagar, Ariz.; Joseph Udall, Eagar, Ariz.; John C. Hall, Eagar, Ariz.; J. H. Slade, Eagar, Ariz.; Joe A. Burk, Eagar, Ariz.; W. F. Lesener, Eagar, Ariz.; David O. Bigelow, Eagar, Ariz.; M. L. Hall, Eagar, Ariz.; H. G. Udall, Eagar, Ariz.; A. M. Hall, Eagar, Ariz.; Mrs. Clem Saffell, Springerville, Ariz.

Senator RALPH H. CAMERON, PIMA, ARIZ., February 4, 1925.
Senate Office Building, Washington, D. C.:

We respectfully urge you to put forth every effort to have grazing fees eliminated for this year. Present conditions indicated additional heavy losses to cattlemen in this locality this season account continued drought and lack of feed.

G. A. BRYCE. BILL EATON.
G. A. PECK. W. N. WILSON.
J. M. WILSON. J. W. MATTICE.
L. E. BOWMAN.

Hon. RALPH CAMERON,

MORENCI, ARIZ., February 4, 1925.

United States Senate, Washington, D. C.:

We, the undersigned, earnestly urge you to have the Senate and House pass your resolution for relief of cattlemen from grazing fees for the year 1925. Your efforts in bringing out resolution appreciated.

J. A. FARRELL.
JNO. I. THOMPSON.
W. L. NEEL.
W. F. WILLIS, Sr.
LLOYD C. DAVIS.

FRANK DAVIS.
T. M. DAVIS.
FRANK WILLIS, Jr.
ABE SHULTZ.

WILLIAMS, ARIZ., February 4, 1925.

Hon. RALPH H. CAMERON,

United States Senate, Washington, D. C.:

The undersigned, operating five cattle outfits on Tusayan Forest Reserve, urge the immediate adoption of Joint Resolution 169 as a vital economic measure made necessary by drought conditions and excessive grazing fees.

UNION COOPERATIVE CATTLE ASSOCIATION,
ALFRED SKEELS, Secretary.

FLAGSTAFF, ARIZ., February 4, 1925.

Hon. RALPH H. CAMERON,

United States Senate, Washington, D. C.:

We respectfully urge that everything possible be done for the waiving of forest grazing fees for the year 1925 at least. Both cattle and sheep stock conditions in the Southwest are known to you, and the relief afforded stockmen on grazing fees would be of very material assistance.

DAVID BARBITT.
WILLIAM BARBITT.
JOHN HENNESSY.
J. A. KELLAM.

LOU CHARLEBOIS.
R. B. CORBETT.
J. T. RALSTON.

QUARTZSITE, ARIZ., February 3, 1925.

Hon. RALPH CAMERON,

United States Senate, Washington, D. C.:

Owing to the prolonged droughts and consequent heavy losses, Scott Toloday Bros., Hill Edwards, and Hanson Hagely, and Johnson, stockmen, request me to wire asking you to use your good offices to assist in passing bill waiving of grazing fees on national forests for 1925.

F. W. DUNN.

PUNTENNEY, ARIZ., January 31, 1925.

Senator RALPH H. CAMERON,

United States Senate,

Senate Office Building, Washington, D. C.:

As owner of several hundred head of cattle ranging on the Tusayan National Forest, Ariz., am heartily in favor of your resolution being adopted about grazing fees. Due to lack of rains, the range and cattle are in most deplorable condition; together with decline in prices, makes this one of the worst years in all my 40 years' experience. Your resolution if adopted would be the means of saving cattlemen from going under.

NELSON PUNTENNEY.

PRESCOTT, ARIZ., February 3, 1925.

Hon. RALPH H. CAMERON,

Washington, D. C.:

We indorse joint resolution asking Secretary of Agriculture to waive all requirements of grazing fees on national forests for 1925.

WALNUT CREEK CATTLE GROWERS' ASSOCIATION,
By C. E. STEWART, President.

PRESCOTT, ARIZ., February 2, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

Under present conditions the existence of the little cattlemen depends on your resolution for waiving grazing fee for 1925 being passed. I strongly urge it, and am highly in favor of the Phipps bill.

S. S. WINGERT.

WINSLOW, ARIZ., February 2, 1925.

Hon. RALPH H. CAMERON,

United States Senate, Washington, D. C.:

Klein Dienst just informed me of your resolution in Senate for waiving of grazing fees national forests. If this passes, will help me through a difficult situation, and benefit every cattle and sheep man in the vicinity of Winslow and the State of Arizona. Best wishes for your success.

CHAS. E. WYRICK.

PRESCOTT, ARIZ., February 6, 1925.

HON. RALPH H. CAMERON,

United States Senate, Washington, D. C.:

We urge that you do all in your power to have Congress pass Senate Joint Resolution 169. Waiving all grazing fees for one year would be a great and needed relief to the livestock industry of Arizona.

UNION COOPERATIVE CATTLE ASSOCIATION,
By R. N. LOONEY, Treasurer.

PEARCE, ARIZ., February 7, 1925.

HON. RALPH H. CAMERON,

Senate Chamber, Washington, D. C.:

Pearce sends greeting and hopes that the joint resolution to waive payment of forest fees may be approved and thus relieve this present very stringent financial situation among cattlemen.

CHAS. M. RENAUD.

J. F. MURPHY.

P. W. WILLSON.

WM. D. MONMONIER.

J. U. BIGNON.

F. L. BRYANT.

CORONADO CATTLE CO.

CHIRICHUA RANCHES.

J. A. ROCKEFELLOW.

JACK BUSENBARK.

G. G. EWING.

FRANK L. ELLSWORTH.

E. J. KELLEY.

A. Y. SMITH.

MESA, ARIZ., February 5, 1925.

HON. RALPH H. CAMERON,

United States Senate,

Senate Office Building, Washington, D. C.:

The undersigned indorse the action of the Payson Stockmen's Association in their resolution as sent to you on February 3.

PAYSON CHAMBER OF COMMERCE,

By MART McDONALD.

MESA, ARIZ., February 5, 1925.

HON. RALPH H. CAMERON,

United States Senate,

Senate Office Building, Washington, D. C.:

The undersigned are in full accord and hope to see passed your Joint Resolution No. 169. We indorse the action of the Payson Stockmen's Association in their resolution passed on February 3 and sent to you in telegram of that date.

PAYSON COMMERCIAL & TRUST CO.,

By RALPH HUBERT, President.

GLOBE, ARIZ., February 5, 1925.

HON. RALPH H. CAMERON,

United States Senate, Washington, D. C.:

Appreciate effort to have grazing fees waived. Forced sales and drought have combined to reduce local cattlemen to brink of insolvency. Relief is imperative. Stock have died in large numbers. Buyers take advantage of forced sales. Collection of fees would be great blow to cattle industry.

PAYSON WOMEN'S CLUB,
Mrs. ROGER CORBETT, President.

MESA, ARIZ., February 5, 1925.

HON. RALPH H. CAMERON,

United States Senate,

Senate Office Building, Washington, D. C.:

The Payson Cattlemen's Association unanimously indorse the Joint Resolution No. 169, to waive the collection of the 1925 grazing fees, for the following reasons: There have been few sales of stock for past three years and most of the sales were made for long-time non-negotiable paper. Because of a four years' drought, resulting in poor calf crops, the high cost of labor and supplies, and the low price of cattle, the stockmen are operating at a loss. The high rate of interest and the refusal of banks to give the stockmen further financial assistance. The smaller and isolated stockmen have been unable to benefit by any of the Government financing agencies or any of the cattle-loan companies, and a waiver of grazing fees will bring great relief to the smaller stockmen who are now in serious need of assistance. Every Government commission investigating the stock industry have reported the grave need of assistance at this time.

PAYSON CATTLEMEN'S ASSOCIATION,
(Thirty-five members)
C. H. RISSY, President.

CAMP VERDE, ARIZ., February 19, 1925.

Senator RALPH H. CAMERON,

Washington, D. C.:

We indorse your Senate resolution waiving 1925 grazing fee on national forests. Letter follows.

BEAVER CREEK CATTLE GROWERS' ASSOCIATION.

APACHE, ARIZ., January 31, 1925.

HON. RALPH CAMERON,

Washington, D. C.:

DEAR SIR: Please do all you possibly can to enact any legislation that will help the cowman through this drought-stricken section.

CLIFF DARNELL.
BERT ROBERTS.

DUNCAN, ARIZ., February 1, 1925.

Senator RALPH H. CAMERON,

Washington, D. C.:

Unless Congress rebates grazing fees on forest reserves for this year the stock interests of Arizona will be annihilated. No grass off reserves; we are broke; no money to pay grazing fees.

J. L. Shaw, J. G. Smith, L. E. Smith, Fred Powell, H. B. Harris, Sam R. Tilley, Roy D. Williams, Tom Cauthen, E. Tilley, M. Cauthen, C. C. Herter, George Webster, L. B. Duncan, Jim Cauthen, E. J. Day, R. S. Johnson, A. T. Fulcher, S. S. Fealcher, E. Day, A. F. Hoffman, Clint Hicks, Fred Johnson, Frank M. Hodges, J. H. Armstrong, George Hill, W. C. Edwards, F. B. Lalue, J. D. Hill, W. Foote, T. J. Maness, George Hall, J. H. T. Cosper, A. H. Slaughter.

DUNCAN, ARIZ., January 30, 1925.

Senator RALPH H. CAMERON,

Washington, D. C.:

Do utmost to secure passage of bill for free grazing on national forest reserves for this year; range situation desperate; unable to raise grazing fee.

H. S. Smith, G. E. Head, Ralph Phillips, Ira L. Spoon, C. M. Brooks, W. P. Tippets, Harvey T. Grady, Charles A. Tippets, Eugene Romney, E. V. Romney, R. E. Miller, J. R. Jones, J. T. Dees, W. T. Sanders, H. S. Worden, W. Martin, Tom Brown, C. D. Martin, T. M. Sanders, S. W. Coon, E. Lunt, C. C. Martin, H. R. Sullivan, E. D. Williamson, Waide Harris, I. McFarland, J. H. Brown, J. P. Oberholser, J. T. Lovett, M. O. Goodspeed, John Cauthen, Louis Dean, Charles Harris, George Lunt, E. Harris, F. R. Hightower, S. M. Warner, A. McK. Wallace, J. C. Burleson, F. M. Craig, S. D. Corley, Ted Robertson, F. V. Romney, jr., E. Johnson, T. H. Johnson, Harry A. Day, F. W. Oberholser, J. H. Briley, J. L. T. Watters.

AMADO, ARIZ., January 31, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

We, the undersigned stockmen, heartily favor your resolution providing for waiving forest fees, and thank you sincerely for interest shown your constituency by this action.

JAMES CONVERSE.

J. S. YOAS.

B. G. YOAS.

ROBERT BERGIER.

R. H. CATLETT.

WALTER CHAMBERS.

HARTMAN MILLER.

GUY PERRY.

WILLIAM SAWYER.

GABRIEL ANGULO.

MANUEL SALICIDO.

SANTIAGO GASTELLUM.

PATAGONIA, ARIZ., February 3, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

We, the undersigned cattlemen, residing in Cochise and Santa Cruz Counties, Ariz., do urge on Congress passing of your resolution to waive all grazing fees for 1925 on all national forests. No feed and no water. We very much appreciate your interest in these industries.

J. H. MERRITT.

FRED KELLOGG.

A. M. MACKNAB.

RALPH C. MCINTYRE.

OLIVER P. LANE.

Mrs. A. T. GATTRELL.

N. A. BERCICH.

G. A. BERCICH.

Mrs. JAMES PARKER.

PINEDALE, ARIZ., February 3, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

Your resolution carries a much-needed benefit.

PINEDALE STOCK GROWERS' ASSN.

E. THOMAS, Secretary.

GLOBE, ARIZ., February 3, 1925.

Senator RALPH H. CAMERON,
United States Senate, Senate Office Building,
Washington, D. C.

MY DEAR MR. CAMERON: It is needless to explain all details of Arizona stockmen. Have been in business for 30 years and they are in terrible shape. I respectfully ask you to urge Congress to cancel grazing fees for 1925.

Your friend,

MAX C. BONNE.

KIRKLAND, ARIZ., February 3, 1925.

Senator RALPH CAMERON,
Senate Office Building, Washington, D. C.:

Depending on you to urge Congress to pass your resolution to save cattlemen forest grazing permit for 1925.

J. O. AND C. A. CARTER.

SANSIMON, ARIZ., February 4, 1925.

Senator RALPH CAMERON,
Senate Building, Washington, D. C.:

Heartily wishing you success in the grazing fees resolution matter.

W. P. LEE.
GEO. FRANKLIN.
J. V. LEE.
E. E. LEE.
A. J. LEE.
B. G. LEE.

CHERRY, ARIZ., February 3, 1925.

Senator RALPH H. CAMERON,
United States Senate Office Building, Washington, D. C.:

On behalf of John G. Allen, Stevens J. Sherm Sessions, John Boyer, and James H. Reeves, cattlemen, and all other good citizens here urge the adoption by Congress of your joint resolution that all grazing fees be waived for this year. We thank you for your efforts in this matter.

EVAN A. BONHAM,
Postmaster, Cherry, Ariz.

WILLCOX, ARIZ., January 29, 1925.

Senator RALPH CAMERON,
Capitol Building, Washington, D. C.:

I heartily support the measure introduced to cancel grazing permits on national forest for year of 1925. This measure if passed will be one of the greatest possible helps to the sheepman and cowman of this section.

B. BIDEGAIN.

SONOITA, ARIZ., February 9, 1925.

Hon. RALPH CAMERON,
Senate Office, Washington, D. C.:

In view of drought existing here now and the prospect of short feed this season, we greatly appreciate your efforts in interest of the stock men, and request you use every means to void grazing fees for 1925.

P. A. HONNAS, President;
BEN SWANSON, Manager;
A. M. BENJAMIN, Secretary-Treasurer;
Santa Cruz Livestock Shipping Association.

BISBEE, ARIZ., January 30, 1925.

Hon. RALPH H. CAMERON,
Senate Chamber, Washington, D. C.:

Cattlemen in this vicinity strongly urge adoption of joint resolutions introduced by you 19th, waving grazing fees in national forests. Owing to continued drought, privilege of grazing without fee will be great benefit to stockmen already hard hit.

JAMES E. BROPHY,
A. G. STEVENSON.

YUMA, ARIZ., January 30, 1925.

Senator RALPH H. CAMERON,
Senate Office Building, Washington, D. C.:

Your resolution on grazing fees national forest for 1925 be waived will greatly relieve the cattle and sheep industry in the State, and should be adopted.

J. M. BALSZ.

DOUGLAS, ARIZ., January 30, 1925.

Hon. RALPH CAMERON,
United States Senate, Washington, D. C.:

This to inform you that your efforts to have grazing fees waived for year 1925 are appreciated, and trust you will be successful in having resolution passed as, owing to drought and other conditions, many stockmen will go bankrupt unless given some relief.

C. A. OVERLOCK.

HEBER, ARIZ., February 2, 1925.

RALPH H. CAMERON,
Senate Office Building, Washington, D. C.:

Entered for bill to waive 1925 grazing fees; appreciated. Pass if possible.

HEBER CATTLE GROWERS' ASSOCIATION,
By THOS. H. SHELLEY, Secretary.

ST. JOHNS, ARIZ., January 29, 1925.

Senator RALPH H. CAMERON,
Washington, D. C.:

Use all possible influence to have Senate get joint resolution waiving payment of grazing on national forest for year 1925. Cattlemen of this section in extremely cramped circumstances and almost impossible to raise money for grazing fees. Range in very bad condition.

H. J. PLATT,
W. E. WILTBANK,

SAFFORD, ARIZ., January 29, 1925.

Senator RALPH CAMERON,
Washington, D. C.:

Your resolution in reference to waiving of grazing fees on the forest reserve meets with my approval. I certainly appreciate your efforts to lighten the burden of the cattlemen, as the last three years have been extremely hard on us all over the Southwest. Wish you success.

S. L. DODGE.

SAFFORD, ARIZ., January 29, 1925.

Senator RALPH CAMERON,
Washington, D. C.:

Your resolution in reference to waiving of grazing fees on the forest reserve meets with my approval. I certainly appreciate your efforts to lighten the burden of the cattlemen, as the last three years have been extremely hard on us all over the Southwest. Wish you success.

W. T. WEBB.

SAFFORD, ARIZ., January 29, 1925.

Senator RALPH CAMERON,
Washington, D. C.:

Your resolution in reference to waiving of grazing fees on the forest reserves meets with my approval. I certainly appreciate your efforts to lighten the burden of the cattlemen as the last three years have been extremely hard on us all over the Southwest. Wish you success.

F. A. BOYLE.

TEMPE, ARIZ., January 28, 1925.

Hon. RALPH CAMERON,
Washington, D. C.:

The cattlemen of Arizona appreciate in the highest degree your efforts to aid them in your forest grazing permit. We are with you to a man; put it over.

JOHN DEMAREBEX, Cattleman.
JOSE BURNS, Cattleman.
W. K. WELTY, Cattleman.

DOUGLAS, ARIZ., January 28, 1925.

RALPH H. CAMERON,
United States Senate, Washington, D. C.:

We heartily indorse resolution introduced by you waiving grazing fees on Government land for 1925. This will be a needed help to Arizona stockmen.

BANK OF DOUGLAS.

BENSON, ARIZ., January 28, 1925.

Senator RALPH CAMERON,
Washington, D. C.:

On behalf of the livestock interests of this section I urge immediate adoption of joint resolution introduced by you January 19. If this industry is to survive it must have every possible aid.

J. H. GETZWILLER.

MAYER, ARIZ., January 27, 1925.

Senator RALPH H. CAMERON,
Washington, D. C.:

The Bradshaw Mountain Cattlemen's Association, consisting of 25 members and grazing 10,000 head of cattle of Prescott National Forest, heartily support your resolution and urge its adoption in our extremity.

L. P. NELLIS, Secretary.

WILLCOX, ARIZ., January 27, 1925.

Senator RALPH H. CAMERON,

Senate Chamber, Washington, D. C.:

Do all you can to stop collection of grazing fees on national forest for 1925. Stockmen hard hit the last four years. We are having the worst drought in years.

WILLIAM M. RIGGS.

HOLBROOK, ARIZ., January 28, 1925.

Senator RALPH H. CAMERON,

Washington, D. C.:

Your resolution regarding grazing fees on national forest meets approval and support of entire community.

A. & B. SCHUSTER CO.

PRESCOTT, ARIZ., January 30, 1925.

Senator RALPH H. CAMERON,

Senator Office Building, Washington, D. C.:

We earnestly urge adoption of resolution looking to relief of stockmen as outlined in joint resolution January 19. Most cattlemen are heavily in debt and banks can not carry additional load in any fairness to other clients. No sale for cattle at any price that will make any commensurate return either to producer or backer. This is very urgent.

THE BANK OF ARIZONA,

By M. B. HAZELTINE, Vice President.

PEORIA, ARIZ., February 2, 1925.

Senator RALPH H. CAMERON,

Senate Office Building, Washington, D. C.:

HONORABLE SIR: I am heartily in favor of your resolution regarding waiving of grazing fees for year 1925.

Respectfully yours,

JOSE MONTAYA.

RICE, ARIZ., February 1, 1925.

Hon. RALPH CAMERON,

Washington, D. C.:

While not personally interested, am in position to know the conditions that have existed in most parts of the State, and if possible to relieve the stockmen of any burden along lines of waiving grazing fees or anything similar, feel it will be of benefit to the State at large.

W. E. TIFFANY.

THE VALLEY BANK,

GLOBE, ARIZ., February 3, 1925.

Hon. RALPH CAMERON,

Washington, D. C.:

MY DEAR MR. CAMERON: This letter is written for the purpose of expressing to you our appreciation of your efforts in behalf of the Arizona cattlemen as represented by Senate Joint Resolution 169.

I believe the banks of the State realize as well as anyone the catastrophe which has fallen upon the cattlemen, and any measures for their relief are amply justified.

Again thanking you on behalf of our clients who are suffering at this time, we are

Yours very truly,

C. E. HULL, Manager.

TUCSON, ARIZ., January 19, 1925.

Hon. RALPH CAMERON,

Washington, D. C.:

DEAR SENATOR: I heartily indorse the inclosed letter, and, in my opinion, all grazing fees should be abolished on all forest reservations. This has been a great injustice upon all cowmen and, to my certain knowledge, has been the cause of some men failing; as for myself, I to-day would be a well-off man had I never been on a forest reserve. I was misdirected; my business interfered with, and kept down by employees of the service until I was compelled to move off. I hope you do all you can to have these grazing fees eliminated.

Sincerely yours,

W. M. MARTENY.

PAYSON, ARIZ., February 11, 1925.

Senator RALPH H. CAMERON,

United States Senate, Senate Office Building,

Washington, D. C.

DEAR SIR: We, the undersigned, wish to express our appreciation of the resolution you have introduced, to waive the grazing fees on stock for the year 1925.

The condition of the cattle industry in Arizona is, indeed, critical, and this resolution, if passed, will lighten the burden this year.

Arizona has suffered from drought for four years. The loss due to scarcity of feed, together with the exorbitant grazing fees imposed, have practically ruined the cattle industry of the State. Banks and individuals have loaned money to stockmen for grazing fees until they are not able to loan again. Therefore immediate relief must come from some source.

Again, let us say that we appreciate your efforts, and we shall look forward to the successful passage of the bill.

Yours respectfully,

Mrs. CHAS E. CHILSON.

Mrs. CECE E. GIBSON.

Miss JULIA V. RANDALL.

CORNVILLE, ARIZ., January 21, 1925.

Hon. RALPH CAMERON,

Senate Chamber, Washington, D. C.

MY DEAR SENATOR: In the absence of a policeman at Cornville, I must beg leave to tell my troubles to you. I have the misfortune to be a stock raiser; and like the balance of stock raisers, I am in distress, owing not to my neglect and mismanagement but to the act of God and the general depression of the cattle market throughout the country.

The long-continued drought is responsible for there being very little feed on the range. This has compelled me to feed cattle for two winters, and this year it has been necessary for me to feed ever since the month of August. The losses from starvation have been, and still are, very heavy. I am riding every day hunting for poor cattle so I can bring them home and feed them. Yet, as you must know, the loss is very great, owing to the vastness of the open range.

The forest fees for grazing have been raised from 30 cents per head to \$1 per head, and now we are given to understand there will be another raise in the near future.

Such being the condition of affairs, can you and will you do all in your power to help the stockmen to get on their feet again? Every stockman around here is absolutely broke. A large number are out of business, and the rest of us are fighting with our backs against the wall.

We ask your help to do your very best to have our grazing fees remitted for a certain length of time, or until we can get on our feet again.

With regard to the forest range, I want to say the undergrowth of young pine is so very heavy that it is crowding out a very large part of the grass, which makes it less valuable as a grazing proposition. This makes me feel that instead of raising the grazing fees, they should be lowered, even though times were normal.

I started this season with 60 tons of hay, the same being \$30 per ton, and 4 tons of cottonseed cake, at \$45 per ton, and I very much doubt if it will see me through until spring. I have weaned every calf I have been able to find and have done all in my power to keep the stuff alive until such time as we may be able to realize something near their value.

However, it is needless to enlarge on the heartbreaking subject. You were here last summer and understand conditions as they are, and unless you have changed and are no longer the RALPH CAMERON I used to know, I am positive you will do your very best to help us.

With kindest regards, I am,

Yours very truly,

A. C. BURNETT.

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,

Washington, February 5, 1925.

Hon. RALPH H. CAMERON,

United States Senate.

DEAR SENATOR CAMERON: Upon my return to the office after our personal conference I have looked up the information you requested, and am glad to furnish the following:

Total receipts from grazing for the fiscal year 1924	\$1,915,561.49
From this amount should be deducted the special school fund which goes to the States of Arizona and New Mexico, amounting to	31,435.29
Leaving a balance of	1,884,126.20

The 10 per cent road fund of this balance would be equivalent to \$188,412.62; the 25 per cent road and school fund returned to the States would amount to \$471,031.54.

Of the total amount received, the following represents the receipts for the different classes of stock:

Cattle and horses	\$1,166,888.57
Sheep and goats	798,243.48
Trespass	16,429.44

In line with the above the following information for the State of Arizona will be of interest to you:

Total receipts from grazing, Arizona forests, \$296,191.26.

The special provisions in the Arizona enabling act regarding sections 2, 16, 32, and 36 in national forests give the State a proportional part of these receipts. This amounts to \$30,406.97, and would leave a balance of \$265,784.29.

Of the balance, 10 per cent would be available for roads and trails, amounting to \$26,578.42; and 25 per cent would go to the counties for roads and schools, amounting to \$66,446.07.

In other words, based on the 1924 receipts, a remission of the grazing fees for 1925 as proposed by your joint resolution would save the stockmen of Arizona a total of \$296,191.26. At the same time it would cost the State and counties of Arizona a total of \$96,853.04, and would cost the national forest road and trail fund \$26,578.42, making a combined total of \$123,431.46. The net cost to the United States Treasury would be \$172,759.80.

Total receipts for grazing livestock on the national forests of Arizona in 1924 were distributed as follows:

Cattle and hogs	\$255,090.53
Sheep and goats	36,279.59
Trespass	4,821.14

I trust the above information will be sufficient to meet your needs, but in the event you desire anything further I shall be only too glad to furnish it.

Very sincerely yours,

E. A. SHERMAN, Acting Forester.

LOS ANGELES, CALIF., February 6, 1925.

Senator RALPH H. CAMERON,

Washington, D. C.

DEAR SIR: I have just been acquainted with your resolution providing all grazing fees on national forests be waived for the year 1925.

We approve this resolution, and through you urge Congress to pass it.

It will help every one a little and we are thankful for that little help.

I am a native daughter of Arizona. I am indirectly interested in the cattle business. It is my mother, Mr. C. Bridwell, who has been a great loser and a sufferer for many more than three years in the cattle business. Some of her people have lost out entirely.

We trust something may be done to put the cattle industry back on its feet.

Seems like too much taxation everywhere.

For the sake of Arizona, we trust, through you, that Arizona may secure this legislation.

Yours sincerely,

NINA B. (Mrs. A. F.) MAISCH,

392 South Commonwealth Avenue, Los Angeles, Calif.

HERMOSA BEACH, CALIF., February 7, 1925.

Senator RALPH H. CAMERON,

United States Senate, 127 Senate Office Building,
Washington, D. C.

DEAR MR. CAMERON: I thoroughly approve of your resolution and urge that Congress pass it. Any relief that can be given to the cattle industry of Arizona will be greatly appreciated. I have suffered great losses through the cattle business for more than seven years of high taxes, droughts, etc.

Wishing you success in your good work.

Yours truly,

CEDONIA BRIDWELL,
Aravaipa Canyon, Ariz.

Present address, box 827, Hermosa Beach, Calif.

BLACKWATER, ARIZ., January 30, 1925.

Senator RALPH H. CAMERON,

United States Senate, 127 Senate Office Building,
Washington, D. C.

MR. CAMERON: A letter just received from John R. Towles stating your fight for the cattle and sheep men of Arizona. You are right; I endorse all you do.

I am among the Pima Indians and do not come in contact with the cattle and sheep men of northern Arizona, but if I did, would do all in my power to help put your proposition through.

Yours very truly,

Mrs. NANNIE H. PINKLEY,
Postmaster, Blackwater, Ariz.

DEAR CHIEF: John Hampton drew this resolution. It was read and passed by the industrial congress.

The following resolution was passed by the Arizona Industrial Congress, Phoenix, Ariz., January 24, 1925:

"Whereas the attention of this convention has been called to a telegram from Senator RALPH H. CAMERON stating that he has introduced a resolution in the Senate providing that no fees shall be

collected by the Government for livestock grazing on the national forest reservations during the year 1925; and,

"Whereas the livestock industry, and particularly the cattle industry, has been laboring under very adverse conditions in all of the Western and Southwestern grazing States during the last four years; and,

"Whereas some measure or measures for the relief of the livestock industry are imperatively demanded in order to assist this industry in getting back to a normal basis; and,

"Whereas the adoption of the resolution referred to will be of material assistance to all owners of livestock grazing on the national forest reservations: Now, therefore, be it

"Resolved, That this convention give its unqualified indorsement to said resolution and that our Senators and Representative in Congress be requested to give their united support to said resolution and use every legitimate effort to secure its approval by Congress."

SPRINGVILLE, ARIZ., January 29, 1925.

Senator RALPH CAMERON,

Senate Office Building, Washington, D. C.

DEAR SENATOR CAMERON: We cattlemen who have permits from the Forest Service on the Apache National Forest have had a hard time making ends meet in the cattle business for several years past, and although we expect better times, nevertheless, we know that prosperity is not yet in sight.

We commend you very highly for your efforts in trying to have the Department of Agriculture, through the Forest Service, waive the collection of all 1925 grazing fees. We believe that this is right and just and we feel that the Government should at least show the cattlemen this small consideration in order to help them back on their feet. The prosperity of the cattlemen indirectly has its bearing on the prosperity of the Nation.

We are—

Very respectfully yours,

Gregorio Baca, Springville, Ariz.; Northern Arizona Land Co., by Warren G. Brown, Springville, Ariz.; Mrs. N. Murray, Springville, Ariz.; Bud. Shoop, Blue, Ariz.; D. C. Martin, Springville, Ariz.; Claude Murray, Springville, Ariz.; Clem L. Saffell, Springville, Ariz.; O. P. Eagar, Eagar, Ariz.; Arch. Maxwell, Eagar, Ariz.; Waite Phillips, by D. B. Day, Springville, Ariz.; Mary E. Hale, Springville, Ariz.; J. O. Hall, Eagar, Ariz.; T. J. Rincher, Eagar, Ariz.; Geo. A. Eagar, Eagar, Ariz.

CROWN KING, ARIZ., February 2, 1925.

Hon. RALPH H. CAMERON,

Washington, D. C.

DEAR SENATOR CAMERON: I wish to commend you for your efforts on behalf of the stockmen, both cattle and sheep, of the West, especially those residing in Arizona. Your bill waiving the grazing fees for the year 1925 is a meritorious measure and by all means should pass. The Congress can choose no better way to help the hard-pressed stockmen, and from close observation on the spot I have come to the conclusion that if relief of the nature embodied in your bill does not come very, very soon the day of the small stockmen is doomed, and many of the larger stockmen will suffer untold financial reverses. I trust your bill will pass, as it deserves to do.

Very truly yours,

R. S. PATTERSON,
Merchant and Assistant Postmaster.

THE BANK OF ARIZONA,
Prescott, Ariz., February 3, 1925.

Hon. RALPH H. CAMERON,

Washington, D. C.

DEAR SENATOR: Thank you very much for yours of the 29th and the efforts you are making toward giving the cowman a chance.

The statement that those who occupy leased lands, State or otherwise, must pay their rent money does not answer the question, as those people have their own troubles to fight and do not need to be taken into the forest users' consideration.

The calf crop this year is going to be very small and the same was true of last year's crop, so that for two years there will be a very small increase and very little to sell. Just how the cowmen are going to get along I do not pretend to know, but they certainly need help and the help suggested by your resolution will in no way tend to pauperize them. I hope you will push this good work as strongly as you can.

With kindest regards, I am,

Yours very truly,

M. B. HAZELTINE, Vice President.

CORNVILLE, ARIZ., February 12, 1924.

Hon. RALPH CAMERON,

United States Senator from Arizona.

DEAR RALPH: I am writing you regarding our livestock and grazing interests on national forest reserves while it seems the forest department are determined that we shall pay more for grazing our stock on these forests. We people that have been trying this thing out for the last 20 years know from actual experience that we can not stand any further raise. What we are paying now is putting us out of commission, and if we can't pay \$1 per annum, how are we going to pay \$2 per year? We can not do it. One-half of the cattlemen in Arizona are not only broke but worse than broke and thoroughly disgusted, while the other half that are still hanging on—not one in ten have a ghost of a chance of ever getting out with a single dollar. It seems that most everyone is figuring on getting out of the business just as soon as possible. Almost regardless of price the range is worn out. We are only getting not to exceed 25 per cent increase from our breeding stock. I am inclosing an itemized expense account for 300 cattle on the forest for one year.

JOHN H. LEE.

Three hundred head is the limit on the Coconino National Forest for a workingman.

300 cows, at \$20 per head, \$600, interest 8 per cent.....	\$480.00
Grazing fee, \$1 per head per year.....	300.00
Man's wages, 12 months, at \$50 per month.....	600.00
Board for man, 12 months, at 75 cents per day.....	273.75
Salt for 300 cows per year.....	54.00
Hay for 2 horses, 5 months, 4 tons.....	80.00
Grain for 2 horses, 5 months, 1½ tons, at 2½ cents.....	75.00
Shoeing 6 horses one year.....	7.00
Interest on money invested in mounts, at \$40 per head.....	19.20
Taxes on 300 cows at \$17 per head, rate 82.....	60.00
Death loss, 8 per cent on 300 cows, 24 cows, at \$20.....	408.00

Total expense for one year.....	2,356.95
Income on 300 cows for one year, rate of increase per hundred cows 25 per cent; allowing 10 per cent for death loss leaves 67½ calves for the year to sell; counting time from January to January the following year, these calves will range in age from 3 or 4 days old to full yearlings; these calves rounded up and sold at public auction under no consideration would these calves bring more than \$15 per head; these 67½ calves at \$15 per head would bring.....	1,012.50

Total loss..... 1,344.45

Is it any wonder that the cattlemen are all broke? Can furnish on reliable authority that 25 per cent increase is correct.

DECEMBER 5, 1924.

Hon. RALPH CAMERON,

United States Senate, Washington, D. C.

MY DEAR SENATOR: On behalf of a number of clients in this State who are engaged in the cattle business, I am writing to invite your attention to conditions at present existing in this State and in other States in which there are forest reservations.

In this State a large percentage of the range cattle are grazing on forest reservations, and the cattle industry in this State and all the other so-called Mountain States is vitally affected by the regulations enforced by the Forest Service.

Several years prior to the war, when the cattle industry was prosperous, the grazing fee for cattle ranging on forest reservations was fixed at 35 cents per head. This charge under then existing conditions could be easily met by the cattlemen, and they had no cause for complaint, but since that time the grazing fees have been gradually increased until the charge is now \$1 per annum per head for all cattle grazing on these reservations, and I have been informed that plans have been considered for making a still further increase in grazing fees.

As you know and as the forest officials undoubtedly know, the cattle industry in the Southwest is now and for several years has been laboring under very adverse conditions. Numerous cattlemen in this State, including many of the largest owners, have been forced into bankruptcy, and under bankruptcy and foreclosure proceedings many thousands of cattle have been forced on the market for whatever they would bring, thereby keeping the prices at the minimum and taking from the ranges many stock cattle which should be kept on the ranges as breeders.

By reason of the fact that my clients are mostly cattlemen who are operating throughout the State, I am very familiar with the conditions and believe that practically all of the cattlemen have been operating at a loss during the last four years. In few, if any, cases have profits realized been sufficient to cover the grazing fees exacted by the Forest Service. Practically all the cattlemen of my acquaintance are looking for an opportunity to get out of the business. Breeding cows, which should be kept on the ranges, are being sold for whatever they will bring, and it seems inevitable that the next few years will witness a shortage of cattle unless something can be done to aid the grazing sections.

While this situation primarily affects the cattle growers of the range States from which most of the feeders are drawn to be fattened and put on the market as beef, it will ultimately affect the entire country, since a shortage of cattle necessarily means a large increase in the price of beef.

I note by the President's message that it will be his policy to assist the agricultural sections in getting back to a normal basis, and I assume that he will be equally interested in doing whatever can be reasonably done to assist the grazing sections which are at present in far greater need of assistance than the farming sections, and I wish to suggest that all the grazing States would be greatly benefited by the elimination or the very substantial reduction of these grazing fees during the next two years.

The cattlemen are economizing in every way possible, and in most cases which have come to my notice have been able to arrange credits for the minimum of groceries, salt, and other supplies which are absolutely essential, but in a very large number of cases they have been absolutely unable to secure money for the payment of grazing fees at the rate of \$1 per head for their cattle.

The cattlemen of Arizona are looking to you to do whatever may be possible to assist them, and it has occurred to me that a resolution might be put through Congress suspending the collection of grazing fees for the years 1925 and 1926.

In this connection I wish to invite your attention to the fact that fully 50 per cent of the area of the State of Arizona has been withdrawn for forest and other reservations, thereby reducing to this extent the lands in the State which would be available for taxation. As a result of this the tax rate in the State is unreasonably high, and the cattlemen, who, as a rule are entirely without cash assets, are not only called upon to pay these high taxes but in addition thereto to pay the grazing fees levied against them by the Government. The authorities of the various counties understand the conditions under which the cattlemen are laboring, and there have been, so far as I know, but few, if any, sales for taxes, the authorities allowing these taxes to remain in default, but the Forest Service demands cash for these grazing fees, and the cattlemen have not the cash to pay.

Yours very sincerely,

JOHN R. HAMPTON.

JANUARY 30, 1925.

Hon. HOWARD M. GORE,

Secretary of Agriculture, Washington, D. C.

MY DEAR GOVERNOR: I attach herewith copy of Senate joint resolution which I introduced on January 19; also copies of letters from representative business and cattle men of Arizona. It is useless for me to attempt to point out to you in a general way the emergency now confronting the livestock industry of my State and the West, and the great need for immediate relief if this industry is to survive. For some four years in Arizona cattlemen have been hanging on to the last ditch hoping that the future would bring them some relief and encouragement. At this writing they seem to be going deeper and deeper into financial ruin, with but little being done in the way of extending the necessary aid. You will recall that prior, and even during the war, grazing fees upon national forests, Indian reservations, and other Government lands were very much less than they are at the present time. At that time the livestock men were in splendid financial shape. With the close of the war and the crash which followed in the period immediately thereafter the cattle and sheep men felt the financial depression to the extent that a great percentage of them at this time could not possibly liquidate in any form their present obligations.

I returned to Washington late in December, having visited most of my State a few weeks prior to that time. It was pitiful to come in contact with hundreds of livestock men, who had heretofore been financially strong, who told me that they would be glad to turn over everything they had if it were possible to escape bankruptcy. This situation is more critical than I can portray to you in writing, and I merely want to call your attention to it by letter and follow it up with a personal call in a day or so, at which time I hope to go into the situation very fully. I could inclose copies of hundreds of other letters and telegrams since the introduction of this resolution, but they are all the same, namely, that this is the only encouragement they have had in the way of relief, and if something is not done it is only a question of time until a large percentage of the livestock industry is absolutely wiped out. That must not happen. It is not a question of these livestock men shirking their responsibilities or not wanting to pay for what they receive. They absolutely can not do it. The payment of these fees reaches further than to them personally and injures the financial fabric of these various localities, where the banks and other agencies have carried heavy burdens in trying to tide over this period of depression. I have given this situation careful study, and about the only way I could think of to provide some kind of immediate relief would be to waive the payment of the grazing fees for the year 1925, which

would allow us time to have a special commission, if necessary, to investigate the matter and work out some feasible plan for the consideration of the next Congress. The livestock industry is one of our most important ones and beyond question it is in a more serious condition than any other industry in this country and, as I said before, with but little prospect or hope of ultimately overcoming its present financial difficulties unless the Government in some way extends a helping hand.

I encourage your hearty cooperation in this emergency legislation and hope that you can see the situation as I do. I want you to feel free in that connection to make any recommendation whatsoever regarding this resolution, as I have no pride personally in putting this through other than the relief of these worthy and long-suffering citizens.

Since my return to Washington I have on various occasions discussed this unfortunate situation very fully with the leading western Senators and stockmen, and with the President personally, who expressed himself as desirous of doing whatever he could to relieve it.

I hope to see you within the next few days, my dear Mr. Secretary, and talk this matter over with you personally.

With kind personal regards, I am,
Sincerely yours,

RALPH H. CAMERON.

The Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 169) authorizing the Secretary of Agriculture to waive all requirements in respect of grazing fees for the use of national forests during the calendar year 1925.

Mr. KENDRICK. Mr. President—

Mr. CAMERON. I yield to the Senator from Wyoming.

The PRESIDING OFFICER. Does the Senator from Arizona yield for a question or yield the floor?

Mr. CAMERON. I yield for five minutes.

The PRESIDING OFFICER. The Senator can not hold the floor and yield for five minutes. The Senator from Wyoming will be entitled to five minutes in his own right under the unanimous-consent agreement if the Senator yields the floor.

Mr. CAMERON. Very well.

Mr. KENDRICK. Mr. President, it is hardly necessary for me to say that I am in entire sympathy with any legislation that will bring relief to the livestock industry of the West. I believe every Senator here understands my attitude toward this industry. I propose to vote for this joint resolution and hope it will pass.

It is a fact, however, that there are two sides to this question and something may be said on the other side.

In connection with the assertion as to unwarranted increases in the grazing charges, I believe the records will show that the plan to increase these rates did not originate with the department, but it did originate, as I recall, in the House of Representatives. At least the first demand along that line which came to my attention was developed by hearings that were held before the Agricultural Committee in the House of Representatives, and as I recall at that time the department stood absolutely opposed to anything like the increases that were recommended as a result of such hearings; and further, I speak from memory, the department insisted that such increase if made at that time would violate a five-year practical agreement that had previously been entered into with the permittees on the reserve.

It is also true, as the Senator from Utah [Mr. Smoot] has already stated, that in the face of the present difficulty the department more than once has gone on record as opposing an increase, and in fact has often expressed a determination not to increase these fees during the period of the next two years.

In the discussion of this question the impression has, I believe, been obtained, perhaps unintentionally, that the Federal Government alone profits by the grazing fees and other proceeds from the forest reserve. The truth is that, as I recall, 35 per cent of all moneys derived from grazing fees and the sale of timber on forest reserves is paid to the States in which the reserves are located. This money is generally, if not universally, applied in support of public schools and the construction and maintenance of highways within the borders of the States, which fact clearly shows that the States derive some benefits in lieu of direct taxation. Therefore, we should not overlook the fact that as we reduce these fees we automatically reduce the amount of this much-needed fund.

It is also true, Mr. President, and I think should be noted here, that in many parts of the country the cost of permits for grazing on the forest represents the cheapest pasture obtainable anywhere in the neighborhood of the forest.

In passing upon this question we should not lose sight of another fact, and that is that only one person in five who

desires to obtain a grazing permit on a forest reserve is able to do so. This means that in proportion to the number who apply for and desire such permits only a very limited number can secure them.

In attempting to render service and benefit to this industry by reducing grazing fees to a point much below their value there is danger of reducing these permits to special privileges. This in turn would, of course, increase the present demand for such permits and in that way actually injure those we are attempting to benefit.

Everyone familiar with the livestock business must understand that the stability of operation is second only in importance to the cost of operation.

If this joint resolution provided only for the abatement of the entire charge for grazing in those localities where drought or other adverse physical conditions prevail, it would, in my judgment, prove sound in both theory and practice. However, I am inclined to believe the department now has authority to make such concessions, and in such event no legislation would be necessary.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

The joint resolution is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the joint resolution will be reported to the Senate.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. CAMERON. Mr. President, I thank the Senate for the consideration given. Many a heart will be happy, many an old pioneer will be younger, and many a worthy stockman will take new courage as a result of this splendid action. I am speaking for my friends and neighbors whom I know and understand. They ask not for charity, they ask not for the unreasonable, but they do ask for fair consideration of their just needs.

Mr. ASHURST. Mr. President, just a word.

I want to thank Senators on all sides for the consideration they have shown the Senators from Arizona. I said some very severe things this morning. I stand ready to make good. I ask that the appropriate committee be appointed to go to Arizona to investigate the truth of my remarks, and I will show to the Senate the willful and deliberate and reckless attempt on the part of the Secretary of Agriculture and on the part of the forestry officials to exterminate the cattle industry in Arizona.

MUSCLE SHOALS

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam power plant to be located and constructed at or near Lock and Dam No. 17 on the Black Warrior River, Ala.; with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in House Document 1262, Sixty-fourth Congress, first session), including power stations when constructed as provided herein, and for other purposes.

The PRESIDING OFFICER. The question is upon the adoption of the conference report. The Chair, as a Senator, will suggest the absence of a quorum. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Dill	Johnson, Calif.	Oddie
Bayard	Edge	Johnson, Minn.	Overman
Bingham	Edwards	Jones, Wash.	Owen
Borah	Ernst	Kendrick	Pepper
Brookhart	Ferris	Keyes	Phipps
Broussard	Fess	King	Pittman
Bruce	Fletcher	Ladd	Ralston
Bursum	Frazier	Lenroot	Ransdell
Butler	George	McKellar	Reed, Pa.
Cameron	Glass	McKinley	Robinson
Capper	Gooding	McNary	Sheppard
Caraway	Hale	Mayfield	Shields
Copeland	Harrell	Means	Shipstead
Couzens	Harris	Metcalf	Shortridge
Curtis	Harrison	Neely	Simmons
Dale	Heflin	Norbeck	Smith
Dial	Howell	Norris	Smoot

Spencer
Stanfield
Stephens
Sterling

Swanson
Trammell
Underwood
Walsh, Mass.

Walsh, Mont.
Warren
Watson
Wheeler

Willis

Mr. HARRISON. I desire to announce the unavoidable absence of the senior Senator from Rhode Island [Mr. GERRY], on account of illness.

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. There is a quorum present. The question is on the adoption of the conference report on the Muscle Shoals proposition.

Mr. UNDERWOOD. On that I ask for the yeas and nays.

Mr. NORRIS. Mr. President, I desire to make a point of order against this conference report. I was asked this morning by the President pro tempore if I intended to make a point of order, and I told him I did. I am perfectly willing to make the point of order to the present occupant of the Chair, but, as the Chair well understands, it is not very satisfactory to have the Presiding Officer changed while a point of order is being argued. I do not know how much debate there will be or how much time will be consumed in the discussion of this matter.

Mr. CUMMINS entered the Chamber and resumed the chair.

Mr. NORRIS. Mr. President, as I was stating just as the present occupant of the chair was coming into the Chamber, I intend to make a point of order against the conference report on the Muscle Shoals matter.

I want, first, to call attention to this fact, that we have a condition presented to the Senate which probably has never before been presented, and if any claim is made that the point of order I urge against this conference report is technical, I call the attention of the Chair to the fact that it is only by the greatest of technicality that the conferees are allowed any latitude whatever in bringing in a conference report and making changes from the bill as it passed the Senate.

Technically speaking—and it is purely technical—the House passed a bill on this subject, but the bill passed by the House is dead. It is a dead, inanimate thing, no one supporting it, no one advocating it, not even the House itself. I speak of this not in any critical sense but because it is a fact.

The House passed what is known as the Ford bill, giving Muscle Shoals to a corporation to be organized by Henry Ford. Mr. Ford has withdrawn his offer, as everybody in the country knows, and the House is not trying to pass the Ford bill. So the conferees only by virtue of a technicality had any House bill whatever in considering this question.

Mr. President, I have just happened to notice that the Senator from New Hampshire [Mr. KEYES], who headed the conferees on the part of the Senate, is not in the Chamber.

Mr. UNDERWOOD. The Senator from New Hampshire told me a moment ago that he had been delayed in going to lunch while the Senator from Nebraska and I were at lunch, and I agreed to remain in the Chamber until his return.

Mr. NORRIS. With that assurance I will proceed. I did not want to make my argument in the absence of the Senator from New Hampshire, because, of course, I wanted him to be here to hear the point of order and to hear what I had to say about it.

As a matter of real fact, there is only one bill on this subject, and that is the bill which passed the Senate. If we were not technical, the conferees would have no real right to go outside of the bill which passed the Senate, because the House has, it is only fair to say, passed no bill whatever on the subject.

Technically, the conferees have a right to bring in anything between the Ford bill and the bill as it passed the Senate, so it is by virtue only of a technicality that the conferees have any latitude whatever. I think it is proper for the Chair to take that into consideration in passing on the point of order, which necessarily must be more or less technical.

As a matter of parliamentary laws, the conferees have a right to bring in any provision of the bill as it passed the Senate or any provision of the Ford bill, or any provision between those two bills. They can not, of course, go beyond that.

With those preliminary remarks I want to call the attention of the Chair to what to me seems a very simple proposition. For the purpose of convenience I am using the Senate print of the bill as it passed the Senate and the conference bill in parallel columns. On page 17 of that document, in the right-hand column—

Mr. GLASS. Did the Senator refer to the RECORD?

Mr. NORRIS. I am not referring to the RECORD. I am referring to the bill as it passed the Senate and the bill as reported by the conferees.

In the right-hand column of this parallel print appears the bill as agreed to in conference, and we find this language:

The President is hereby authorized and empowered to employ such advisory officers, experts, agents, or agencies as may in his discretion be necessary to enable him to carry out the purposes herein specified, and the sum of \$100,000 is hereby authorized to enable the President of the United States to carry out the purposes herein provided for.

Mr. President, that is an entirely new provision. It is not in the bill as it passed the House; it is not in the bill as it passed the Senate. If it is, in the short time I have had to examine those two bills I have been unable to find it. I take it that that would be absolutely fatal to the conference bill, and would make it subject to a point of order as being a legislative provision which appeared in neither the bill as it passed the Senate nor in the bill as it passed the House, and as not between the two. It is entirely and absolutely new.

Mr. RALSTON. Will the Senator repeat the page on which that is found?

Mr. NORRIS. It is page 17 of the Senate print of the two bills in parallel columns. I wish now to call the attention of the Chair to another discrepancy. The bill as it passed the Senate had in it a provision in regard to the money that should be paid for the lease of Dam No. 2, the Wilson Dam.

The PRESIDENT pro tempore. To what page of the print is the Senator now referring?

Mr. NORRIS. That will be found on pages 4 and 5 of the print to which I have been referring.

I am speaking now of the Senate bill, the left-hand column, beginning near the bottom of the page, the last sentence. This is the provision in the Senate bill:

The lessee shall pay an annual rental for the use of such property an amount that shall not be less than 4 per cent on the total sum of money expended in the building and construction of Dam No. 2 at Muscle Shoals and the purchase and emplacement of all works and machinery built or installed in connection therewith for the production of hydroelectric power: *Provided*, That in addition to the annual rental herein stipulated the lessee shall set up and maintain an adequate reserve as fixed in the lease for depreciation—

And so forth.

The House bill, known as the Ford bill, on page 3 of the Senate print, contains this provision in regard to the payment of rental by the lessee:

The company—

That is, the Ford company now—

will lease from the United States Dam No. 2, its power house, and all of its hydroelectric and operating appurtenances, except the locks, together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of said dam, for a period of 100 years from the date when structures and equipment of a capacity of 100,000 horsepower are constructed and installed and ready for use; and—

This is the important language now—

will pay to the United States as annual rental therefor, 4 per cent of the actual cost of acquiring land and flowage rights, and of completing the locks, dam, and power-house facilities (but not to include expenditures and obligations incurred prior to May 31, 1922), payable annually at the end of each lease year, except that during and for the first six years of the lease period, the rentals shall be in the following amounts and payable at the following times, to wit, \$200,000 one year from the date when 100,000 horsepower is installed and ready for service, and thereafter \$200,000 annually at the end of each year for five years.

Now it will be noted that the House bill provides for the payment of an annual rental of 4 per cent on the actual cost of all flowage rights and the construction of the dam, with the exception that that part of the expenditure that has been made by the United States prior to May 31, 1922, is not included.

I have read the provision of the bill as it passed the Senate and as it passed the House. Now let us see what the conference has done with that provision. That will be found on page 5 of the parallel print, as follows:

The lessee shall pay an annual rental for the use of said property an amount that shall be less in the aggregate than 4 per cent for the period of the lease on the total sum of money expended in the building and construction of Dam No. 2 and upon Dam No. 3 after completion, which shall be paid in full each year unless it be shown that due to expenditures in development and improved equipment for the production of fertilizer as provided herein, the lessee may be granted a deferred payment, which shall draw interest at the rate of 4 per cent annually after the first six years of the lease period at either or both dams.

For the purpose of this point of order we can consider only Dam No. 2 of course.

Provided, however, That no interest payment shall be required upon the cost of the locks at Dam No. 2 and Dam No. 3, nor upon an additional amount to be determined by the President as representing the value of this development to navigation improvement.

That is the provision of the bill as reported by the conferees.

Mr. President, I take it that as between the Senate bill, which provided for the payment of a rental of 4 per cent on the entire cost of the dam including the locks, and the House bill, which provided for 4 per cent on the entire cost of the dam in the same way with only an exception that it should not apply to expenditures made prior to a certain date, there is no place between those two provisions where we can put the provision of the bill as reported by the conference committee. In other words, the conference committee, for instance, it is conceded, would not have any right to bring in a bill that provided for a lease of 125 years because that would be more than the Ford bill and more than the Senate bill. They could not bring in a bill that should provide for the payment of a rental that would be more than both the other bills or less than the other bills.

This provision provides for the payment of a rental that is less or may be less than either the Senate bill or the House bill. It is not material for the purpose of the argument that the President might fix the amount so that it would come in between the other two. It is material to know that authority is given the President so that if he wanted to he could cut it all out and not violate the law. In the first place the Senate bill and the House bill both provide for a rent of 4 per cent on the amount expended in the construction of the dam, including the locks. The conference bill excludes the locks. The locks are included in both the other bills and they have no right to exclude them.

Moreover, the conference report gives to the President the right, without stating the amount, to deduct a still further amount from the cost of the dam as he shall determine is a sufficient amount to pay for navigation on the Tennessee River. He can fix it at the entire cost of the dam if he wants to do so. He can fix it at only \$1 if he pleases. In other words, the conference bill has provided for a rental that is less than the House bill or the Senate bill, and that is vital.

For the purpose of illustrating the point, suppose the conference bill is adopted and becomes a law, and assume, which is a fair assumption, that the cost of Dam No. 2 when completed will be \$45,000,000. Assume that the expenditures of the Government before the date mentioned in the House bill were \$17,000,000, which I think also is a fair assumption. That would make the cost of the dam on which 4 per cent can be reckoned by the conference bill \$28,000,000. Now we must still further deduct from that the cost of the locks, which to some extent is an estimate, that the President would determine. Let us suppose the cost of the locks in Dam No. 3 was \$8,000,000. That would make the amount \$20,000,000 upon which interest could be paid. Then suppose the President, by virtue of the authority that is given him in the conference bill, should say that the dam for the purpose of navigation on the Tennessee River helped navigation to the extent of \$10,000,000. That would leave \$10,000,000 upon which 4 per cent interest will be computed, and that is all the rent that is paid. That is less than half of the rental provided for by the House bill or the Senate bill. There is no escape from it. There is no possible way to get away from it. The President can fix it at \$15,000,000 if he wants to. There is no limitation on his discretion. So that it is not what he will fix, because nobody knows, but it is what he can do, what is possible under the conference bill. Under the conference bill it is possible that the lessee should not pay one cent. That will be conceded to be less than either one of the other two bills.

The PRESIDENT pro tempore. May the Chair ask the Senator from Nebraska a question?

Mr. NORRIS. Certainly; I would be glad to have the Chair do that.

The PRESIDENT pro tempore. The House bill provided for a rental of 4 per cent upon certain property known as "Dam No. 2, its power house, and all its hydroelectric and operating appurtenances, except the locks, together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of said dam for a period of 100 years."

The Senate bill provided for—

an annual rental for the use of said property an amount that shall not be less than 4 per cent on the total sum of money expended in the building and construction of Dam No. 2 at Muscle Shoals and the purchase and emplacement of all works and machinery built or installed in connection therewith for the production of hydroelectric power.

The conference bill provides:

The lessee shall pay an annual rental for the use of said property an amount that shall not be less in the aggregate than 4 per cent for the period of the lease on the total sum of money expended in the building and construction of Dam No. 2 and upon Dam No. 3 after completion, which shall be paid in full each year—

And so forth.

The Chair does not observe any reference to Dam No. 3 in either the original House bill or in the Senate bill.

Mr. NORRIS. Mr. President, I am going to speak of Dam No. 3 later on, but without referring to the particular language, and stating it from memory, I will state to the Chair that the Senate bill merely provided for the construction by the Government of Dam No. 3. The House bill provided for the construction of Dam No. 3 by the Ford corporation, and also provided for rentals for Dam No. 3 to be paid by the Ford corporation upon the total cost of its construction. Those are the provisions of the two bills as to Dam No. 3.

In every place except one, which I think has no bearing on the legal question involved, the conference bill provides the same as the Senate bill does for the construction of Dam No. 3 by the Government, but it likewise provides for its lease; and the provisions as to its lease and as to payments in the conference bill are just the same as are the provisions of the lease in reference to Dam No. 2, and they are mentioned together in the clause that I have read and also which the Chair has read to me.

Now, Mr. President, I wish to call your attention to another provision, which relates to the production of fertilizer. The bill as it passed the Senate, as found on page 3, provided for the production of fertilizer in the following language:

In order that the experiments heretofore ordered made may have a practical demonstration, and to carry out the purposes of this act, the lessee or the corporation shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, on the property hereinbefore enumerated, or at such other plant or plants near thereto as it may construct, using the most economic source of power available—

This is the important language—

with an annual production of these fertilizers that shall contain fixed nitrogen of at least 10,000 tons the third year, 20,000 tons the fourth year, 30,000 tons the fifth year, and 40,000 tons the sixth year.

That is the requirement as to amount of fertilizer to be produced. There is a proviso about reporting after the lessee has operated for a certain time, and the same provision is found in the conference bill. I shall not read it unless the Chair or some other Senator thinks it important for me to do so. I have read the language that is important. In other words, the Senate bill provides for the production of 10,000 tons of nitrogen the third year, 20,000 the fourth year, 30,000 tons the fifth year, and 40,000 tons the sixth year. Let us look at the House bill. It will be found, Mr. President, that on page 10 of the House bill the language is as follows:

SEC. 14. Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company—

That is, the Ford company—

expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available—

Now, this is the important language:

The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2. If during the lease period

said nitrate plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant, within a reasonable time, to its former capacity and further agrees—

And so forth.

The Chair will notice that in the Senate bill there must be produced 10,000 tons the third year, 20,000 tons the fourth year, 30,000 tons the fifth year, and 40,000 tons thereafter. The House bill provides for the production of 40,000 all of the time. The conference committee in bringing in a bill can go to the extent of providing for 40,000 tons all the time, just as is provided in the House bill; they can go to the extent of limiting the production down as the Senate bill does; but they can not go above the House bill; they can not go below the Senate bill. No Senator will contradict that. Now let us see what they actually did.

The provision of the conference bill which I want to discuss will be found on pages 3 and 4. It is unnecessary for me to read the first portion of that section because it is the same as in the other bill. So I will come down to the provision relating to the production of nitrogen:

In order that the experiments heretofore ordered made may have a practical demonstration, and to carry out the purposes of this act, the lessee or the corporation shall manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, on the property hereinbefore enumerated, or at such other plant or plants near thereto as it may construct, using the most economic source of power available, with an annual production of these fertilizers that shall contain—

Now comes the important language—

that shall contain fixed nitrogen of at least 10,000 tons during the third year—

So far there is no conflict—

of the lease period and in order to meet the market demand, said annual production shall be increased to not less than 40,000 tons the tenth year of the lease period, the terms and conditions governing the annual production within said 10-year period shall be determined by the President.

If that is not a violation of the right of the conference committee, then there has never been such violation. The Senate bill provided for 10,000 tons the third year, 20,000 tons the fourth year, 30,000 tons the fifth year, and 40,000 tons the sixth year; the House bill, embodying the Ford offer, provided 40,000 tons during the entire period; and now comes the conference bill which does not require the lessee to reach the production of 40,000 tons maximum until the tenth year, four years after; under either one of the other bills, the lessee would have been compelled to make 40,000 tons of nitrogen a year. That must be clear to everybody. It does not require a lawyer to see that that point is fatal to the conference report. If the conferees had a right to go that far, then they would have had a right to say that the lessee or whoever may operate the plant could have made 1,000 tons the first year and no more until the end of the forty-ninth year if they had desired to do so.

However, here is some additional language that modifies it still further. It is found following the language which I have just read, and is as follows:

Provided, That, if in the judgment of the President, the interest of national defense and agriculture will obtain the benefits resulting from the maintenance of nitrogen fixation plant No. 2 or its equivalent in operating condition by so doing, then he is authorized to substitute the production of fertilizers containing available phosphoric acid (computed as phosphoric anhydride P_2O_5 for not more than 25 per cent of the nitrogen production herein specified at the rate of not less than 4 tons of phosphoric acid annually for each annual ton of nitrogen for which the substitution is made.

So that the conference bill, Mr. President, not only cuts down away below either the House or the Senate bill the amount of nitrogen that must be produced, but it reduces it by the proviso still further and permits the substitution of something in place of a portion of the nitrogen. That is not provided in either one of the other bills, but is entirely new. So in the language which I have read in this one provision alone, there are two objections, either one of which must be fatal to the conference bill.

Mr. President, I wish to refer to another place where the conferees have overstepped their rights so clearly that he who runs may read. This time I can not refer first to the Senate bill, because there is nothing in the Senate bill on the subject. I refer to the provision of the conference bill found on page 13, and so that the Chair may follow it, I will say that it is

near the bottom of the page, the last paragraph of section 8. This is the language in the conference bill:

The appropriation of \$3,472,487.25, the same being the amount of the proceeds received from the sale of the Gorgas steam power plant is hereby authorized for the continued investigation and construction by contract or otherwise as may be necessary to prosecute said project to completion. Further expenditures to be paid for as appropriations may from time to time be made by law.

That is not contained in the Senate bill. Nothing like it is contained in the Senate bill. There is nothing referring to it in the Senate bill. If it has any right to be in the conference bill, it must obtain that right from the House bill.

Let us see. The only reason on earth why it can be deduced in any way from the House bill is the fact that it reads, in language that is purely surplusage:

The same being the amount of the proceeds received from the sale of the Gorgas steam power plant.

This money is in the Treasury now. The Gorgas plant was sold. The United States has it in the Treasury. This authorizes the appropriation of that much money. The fact that we received that money from the sale of the Gorgas plant has no legal connection whatever with the appropriation, and that language could just as well be stricken out.

Now, let us see whether there is any possible way to found a reason for that language in the House bill. I call the attention of the Chair to pages 16 and 17 of the House bill, and that is the only reference I know of in the House bill to this matter.

The Chair will remember that before the House bill was passed the Government sold the Gorgas plant; that originally the Gorgas plant was included in Henry Ford's bid, and under the bid as originally made it would have been necessary for the Government to include that plant in its transfer to the Ford corporation. That plant was sold, and in order to satisfy Mr. Ford for the so-called loss of the Gorgas plant the House bill contained the following language—section 19, page 16:

SEC. 19. The Gorgas steam plant and transmission line having been sold by the United States, and Henry Ford having included said steam plant and transmission line in his offer of May 31, 1922—as found in section 12 and in subsection (d) of section 11 of said offer—in order to provide a substitute steam plant the Secretary of War is hereby authorized and directed to acquire by purchase or condemnation a suitable site for a steam power plant, to be located at or near Lock and Dam No. 17, Black Warrior River, Ala., together with a strip of land 100 feet wide to serve as a right of way between said steam power plant and nitrate plant No. 2, Muscle Shoals, Ala., with connection to Waco Quarry, near Russellville, Ala.

The Secretary of War is further authorized and directed to contract with Henry Ford or the company to be incorporated by him for the construction at cost of a steam power plant having a generating capacity of approximately 30,000 kilowatt—40,000 horsepower—a transformer substation of similar capacity and a transmission line of suitable design and capacity connecting said steam power plant with nitrate plant No. 2 and the Waco Quarry, all under the supervision of the Chief of Engineers, United States Army. The plans and specifications for said power plant, substation, and transmission line shall be prepared by Henry Ford, or the company to be incorporated by him, and approved by the Chief of Engineers, United States Army.

The expenditures authorized to be made for all purposes under this section shall not exceed a total of \$3,472,487.25.

That is all there is in the House bill. We find in the bill now before the Senate a provision that authorizes the appropriation of this money for the purpose of enabling the President to continue his investigation and the construction "by contract or otherwise as may be necessary to prosecute said project to completion." What project? If the Chair is at all put in doubt by the words "said project," if he will read the first part of section 8, which I did not read, he will find what that means—that is, the building of Dam No. 3 and the approach to the locks in Dam No. 2 in the Tennessee River. It is all new.

So that we find the conference bill here appropriating over \$3,000,000 for the investigating of the subject and to enable them to go on with the construction of Dam No. 3. We find absolutely nothing of that kind in the Senate bill, and in the House bill, I think I can safely say, absolutely nothing. The provision in the House bill, if it had been passed, would have authorized the Secretary of War to go over on the Black Warrior River at Dam 17 and condemn a site and build a steam plant—nothing connected with Dam No. 3—and give it to Henry Ford. That was the substance of it, the only identity being that the amount of money appropriated is the same in both cases.

Mr. President, it seems to me there can be no question but that this provision of the conference bill has absolutely not a single leg to stand on, and it must fall.

Mr. LENROOT. Mr. President—

Mr. NORRIS. I yield to the Senator from Wisconsin.

Mr. LENROOT. I should like to ask the Senator from Nebraska, in making his comparison between the House bill and the other bill with relation to this \$3,472,000, whether it is not true that the House bill did not appropriate any sum, but that was a limitation upon the amount that might be expended for the purposes therein named, while in the conference bill it is an appropriation, and neither bill contained an appropriation?

Mr. NORRIS. Yes; I thank the Senator from Wisconsin for calling my attention to that fact. It strengthens the argument which in my weak way I have been trying to make. It is so plain, Mr. President, that I hesitate to take up the time of the Chair or the Senate in arguing it. It seems to me there can be no escape from it.

Mr. President, there are some other things that to my mind are plain, although more or less technical; but each one of these things that I have called to the attention of the Chair, in my judgment, is absolutely good and absolutely fatal to the conference bill; and it seems to me there can be but one decision on this matter. There is only one side to it, it seems to me.

The PRESIDENT pro tempore. May the Chair ask another question of the Senator from Nebraska?

Mr. NORRIS. Certainly.

The PRESIDENT pro tempore. The Senator will find, in the statement made by the managers on the part of the House, the following paragraph:

The Senate having stricken out the entire House bill and substituted therefor an entire new bill, which in turn was disagreed to by the House, the whole subject of the production of nitrates in time of war and fertilizer in time of peace at Muscle Shoals came before the conference committee.

The Chair would be glad to hear the Senator from Nebraska on that statement as compared with the Senate rule upon the subject.

Mr. NORRIS. Mr. President, I had not read that statement before the Chair read it to me. I did not read the statement of the conferees of the House. No such statement was made by the conferees of the Senate to the Senate; but I will take that statement. Even if it be all true, it does not follow that there was no limitation upon the conference committee in drawing a bill. It is true that one bill was stricken out, and we have here for the purpose of comparison a House bill and a Senate bill. That does not mean that there is no limitation, however, and I take it that the House conferees do not mean to say that there is no limitation on the conference committee in making the bill. It must be between those two somewhere.

Mr. LENROOT. Mr. President—

Mr. NORRIS. I yield to the Senator from Wisconsin.

Mr. LENROOT. May I remind the Senator and suggest to the Chair that that was a statement by the House conferees, and it is a true statement under the rules of the House of Representatives. The rule as to what may be in order in a conference report is very much broader in the House than it is in the Senate. It used to be broader in the Senate, but the Senator is familiar with the fact that the Curtis rule very greatly narrowed it.

The PRESIDENT pro tempore. The Chair was asking that the Senator from Nebraska read the Senate rule and ascertain how it compares with the statement just made by the Chair.

Mr. NORRIS. I will read the Senate rule. It is clause 2 of Rule XXVII, at the top of page 32 of our manual:

Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.

It seems to me that under that rule there can be but one decision of this question.

Mr. UNDERWOOD. Mr. President, the entire question as to whether the conferees have exceeded their authority or not must be determined by a decision as to what the second clause of Rule XXVII means. If the Chair gives to that rule the narrow construction which has been argued for at times in the Senate, that there must be no new language, whether germane

or not, placed in a bill by the conferees, of course, this conference report would fall. But I think that if the Chair should declare that as the rule of the Senate, few bills would be enacted in the future, because in those circumstances Senate conferees would go to conference with their hands tied behind their backs, with no latitude whatever left to them to reach an agreement with the conferees on the part of the House.

The Senator from Nebraska has just said that the rule of the Senate is very much more restrictive than the rule of the House, but I am not inclined to agree with him on that subject. I think the logic which stands behind the rule of the House and that of the Senate is the same. The purpose is the same, and I think the present occupant of the chair has already decided that the rules are practically the same.

Before the adoption of the rule known as the Curtis amendment, conferees of the Senate of the United States exercised great latitude in agreeing in conference to new matter, and the practice of the Senate then was to submit any such matter to the Senate, and if the Senate approved the subject matter, it was held not to be in violation of the authority granted to the conferees. The exercise of that power went so far, and matters so entirely extraneous to anything under consideration was brought into conference reports, that finally the Senate adopted the Curtis rule.

If the Chair shall give a narrow construction to the Curtis rule—which the Chair has not done in the past—and say that the language "If new matter is inserted in the report" refers to any matter at all, and that the insertion of any new matter renders a conference report subject to a point of order, of course, the conferees' hands will be tied in the future. The rule continues:

Or if matter which was agreed to by both Houses is stricken from the bill.

As far as I know, the latter clause is not in question here, because I know of no matter that was agreed to by both Houses that has been stricken from the bill. The Senator from Nebraska a while ago called the attention of the Chair to the rental clause, but although the rental clauses in both the Ford bill and the bill as it passed the Senate used the words "4 per cent," they referred to entirely different subject matters, and the rental was based on an entirely different valuation. I will come to that in a moment.

I take it that the second clause of Rule XXVII means that the conferees are limited to the subject matter committed to their charge, and such germane amendments to that subject matter as it may be necessary to agree upon in order that the minds of the two Houses may come together.

If we are to determine what is germane, we must determine the main subject matter that has been submitted to conference. Of course, it is agreed that both of these bills were stricken out by one House or the other. The Senator from Nebraska says that the right to amend the bill as it passed the House rests on a pure technicality, that the Ford bill is dead. The Senator is mistaken. The Ford offer is dead, because Mr. Ford has withdrawn it, but the Ford bill is so live a legislative proposition, that the Senator from Nebraska himself reported it back to the Senate last fall with an amendment, and the bill as it stands now bears the number of the Ford bill, and as a legislative proposition the Ford bill is just as alive as if Mr. Ford were at the outer gate contending for its passage.

The PRESIDENT pro tempore. May the Chair ask the Senator from Alabama a question?

Mr. UNDERWOOD. Certainly.

The PRESIDENT pro tempore. The Chair has not had an opportunity to compare these two bills carefully, having just returned to the city last evening. Does the Senator from Alabama construe Rule XXVII to mean that any germane matter may be inserted in a conference report without being subject to the provisions of the rule?

Mr. UNDERWOOD. I do. As I understand, the ruling of the present occupant of the chair, made on the 18th day of September, 1922, when the conference report on the tariff bill was before the Senate, carried that construction.

The PRESIDENT pro tempore. The Chair does not remember any such ruling.

Mr. UNDERWOOD. I will call the attention of the Chair to it.

The PRESIDENT pro tempore. Possibly the Chair may have made such a ruling. The Chair has never understood the last paragraph of Rule XXVII to mean that there may not be a change in phraseology, but has understood that under it there can be no new legislation proposed, for a conference report is not subject to amendment; and if new legislation is brought forward, the Senate is put to great disadvantage, because it

must either agree to the report or disagree to the report, without any opportunity to modify or change the new legislation that is brought forward. That is the understanding of the Chair of that rule.

Mr. UNDERWOOD. I am not taking issue with the Chair on the proposition of new legislation, but I am stating that if amendments are made to reconcile the differences between the two Houses about the subject matter of the original legislation, they are germane and are not subject to a point of order.

For instance, if the Senate had sent to the House a bill providing for the purchase of 500 horses, and the House had stricken out all after the enacting clause and provided for the purchase of a thousand white horses, I think it would be entirely within the rule for the conferees to say that they agreed on a bill providing for the purchase of a thousand white or black horses.

Mr. NORRIS. Mr. President—

Mr. UNDERWOOD. In other words, they could change the color of the horses, but the subject matter of the two Houses was the purchase of horses.

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. UNDERWOOD. I yield.

Mr. NORRIS. In that case would the conferees have a right to say that 20,000 horses could be purchased, or would they have a right to say that 10,000 pigs or cattle, instead of horses, could be purchased?

Mr. UNDERWOOD. No; but if the Senator will allow me, when I come to discuss the details of the report, as I intend to, I think I can show the Senator that such a supposition is not justified by the report. Of course, I understand the Senator to say that there are certain things here which are new matter. My contention before the Chair will be that they are not new matter at all.

Mr. NORRIS. I understand that.

Mr. UNDERWOOD. I shall contend that they are matters necessary to the carrying out of the main purpose of the bill.

Mr. NORRIS. Will the Senator allow me to ask him the question which I really intended to ask when I addressed the Chair, which relates to the particular thing now before us? Does the Senator contend that with respect to the fertilizer question the conferees would have a right to bring in a bill providing for the production of 50,000 tons of nitrogen? I will put with that the other question I wanted to ask; Does he contend that they would have a right to bring in a bill providing that the lessee should be required to produce only 5,000 tons the first year or the third year?

Mr. UNDERWOOD. I think the differences between the Ford bill and the bill as it passed the Senate were such that it was entirely within the jurisdiction of the conferees to reduce the amount; but I will address myself to that when I come to it. I do not desire to take that up now.

Mr. NORRIS. Very well.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. LENROOT. With reference to the Senator's illustration of the House authorizing the purchase of one kind of horses, and the Senate another, granting all that the Senator has said to be true, does he think the conferees in that case would have a right to make an appropriation to pay for the horses, neither House having dealt with that phase of the subject?

Mr. UNDERWOOD. Yes; I do, unquestionably. I want to say to the Senator, and I wish to call the Chair's attention to this fact, that this bill makes no appropriation. I think the Senator from Nebraska inadvertently stated that it did. It makes two authorizations.

Mr. LENROOT. There is one appropriation of \$3,000,000.

Mr. UNDERWOOD. I think what the Senator calls an appropriation will not be so construed by the Treasury Department. I think it is an authorization. But that was in the Ford bill.

I do not think it is necessary for us to go into the question as to whether we are making an appropriation or not, because I do not believe there is an appropriation made here, but I do think it is entirely within the authority of the conferees, when an object is determined on, to put in language authorizing the payment of money to carry out that object, if the whole subject matter is in conference, as it is here.

Suppose there had been no Ford bill, that we had only the one bill, and the House had contented itself by striking out all after the enacting clause and sending the bill to conference. What would that have meant? The House would have simply authorized its conferees to go and write a bill on the part of the House. Of course, there has never been any dispute

over the fact that where all after the enacting clause has been stricken out of a bill, there is very much greater latitude conferred by the legislative bodies on the conferees than when there has been a mere change of language. That action is taken purposely, in order to allow greater latitude to conferees, and if this legislative body does not pursue that course, it will not be long before it finds itself sending its conferees to conference with their hands tied and an impassible block confronting them which will prevent legislation and conference of the two Houses on many questions.

Let me call the attention of the Chair to a matter that came up in the House first with Speaker GILLET in the chair. This is not in regard to some ancient rule. I can take the House rules and show repeatedly that if the subject matter is germane to the matter submitted to conference it has always been held not in violation of the rules. But here is a ruling made on September 15, 1922, by Speaker GILLET. Mr. LONGWORTH presented the case and I will read what he said:

Mr. LONGWORTH. Mr. Speaker, I repeat that the question is the same as that involved in the two points of order that the gentleman from Texas made the other day, to wit, that the conferees had no authority to write in a different provision than that contained in the Senate amendment. Now, the fact is that on this particular proposition, which relates to the power of the President to impose punitive rates of duty where it is discovered that other countries are discriminating unjustly or using unfair practices against our commerce, the House said nothing whatever on the subject. The Senate wrote the entire provision by way of amendment. It is unquestionably within the power of the conferees—

It is unquestionably in the power of the conferees—

to amend the Senate amendment by any germane amendment. That is all that is involved in this case. It is what was involved in the case the other day. I think it would be without justification to take up any more of the time of the Speaker or of the House in discussing this matter.

In that case it was a Senate amendment that the House did not amend, but disagreed to and sent to conference, and the conferees materially amended it. Mr. LONGWORTH said it was in order provided it was germane. Here is what the Speaker said:

The SPEAKER. The House had nothing on the subject. It is an entirely new provision put in by the Senate. The Chair thinks any provision which is germane is permissible. The Chair overrules the point of order.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. UNDERWOOD. I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator of course recognizes that the case he is citing now is where one body had absolutely no provision in its bill in reference to the subject matter.

Mr. UNDERWOOD. As I said a while ago, what the Senator from Nebraska is complaining about is that matter has been put in the bill by the conferees where there was no subject matter included except as to the 4 per cent. All the other provisions are new, he maintained.

Mr. NORRIS. Oh, no; it is vastly different for the conferees to bring in an amendment where neither House has anything on the subject. That is what I called attention to; but where one House has it and the other has not, they do not have the right to do that.

Mr. UNDERWOOD. This was a tariff bill, and there were many other things in conference. This was not just standing out by itself. It was identically the situation of the pending bill, but the conferees added what seemed to be new subject matter in regard to the particular clause. The House had done nothing; they had merely disagreed to the Senate amendment, and the Chair held that they could do anything in changing the Senate amendment that was germane to the subject of the amendment. That is all that was involved in the decision, and that is the law. That is correct parliamentary law in my judgment. I do not contend for a minute, if the conferees in regard to the bill had gone out and put in matter that was not germane to the subject matter entrusted to them, that the report would not have been subject to a point of order; but I think I can show, when I come to the facts, that the changes that have been made are germane to the matter committed to conference. I think that is the reasonable interpretation of the rule, and it is an interpretation that will enable the two Houses of Congress to appoint their conferees and reach conclusions on the subject matter before them. It is the only way it can be done, because if the Senate intends to say, when its conferees carry a matter to conference, that they must be hidebound by the language and the scope of the Senate amendment, then there is no

chance for arbitration. It is merely a question of saying that the House must take the Senate's position or the conference is ended.

Mr. LENROOT. Mr. President—

Mr. UNDERWOOD. I yield to the Senator from Wisconsin.

Mr. LENROOT. I would like to ask the Senator, if his interpretation is correct, what he thinks the Senate accomplished by its modification of the rule in 1918, because prior to that time the rule had been exactly as he now states it.

Mr. UNDERWOOD. Oh, no; the Senator does not understand the rule.

Mr. LENROOT. I think I do.

Mr. UNDERWOOD. I am sure I can show the Senator in a moment that he does not. The rule in the House, as the Senator knows, because he served there many years and I have heard him on many occasions argue the same question of germaneness, has always been that the conferees were limited in their amendments to questions that were germane to the subject matter imposed upon them. That has always from time immemorial been the rule in the House.

It had been the position of the Senate for many years to allow its conferees to inject new subject matters, entirely new to the measure, in their conference reports. As a matter of fact, I think if I would go back and take the debates for 20 years I could show the protests of the Senator from Wisconsin about the latitude of the Senate in putting new matter into its conference reports.

Mr. LENROOT. I think if the Senator will examine the precedents he will not find a case where, if the question was raised that the new matter was germane, the Senate did not have a vote and the Senate took the position that it must be germane.

Mr. UNDERWOOD. That is just what I am saying.

Mr. LENROOT. It was the same rule as the House rule.

Mr. UNDERWOOD. That is just what I am saying, that under the rule up to the time the Curtis amendment was adopted the Senate did not challenge the question of germaneness. There was practically no point of order against a conference report that the Chair could decide to eliminate. The question was submitted to the Senate not as to germaneness or its application to the subject matter, but the issue in the Senate was whether the Senate wanted it or not. That was practically the rule of the Senate until the Curtis amendment was adopted.

The PRESIDENT pro tempore. May the Chair ask one more question? When the Senator from Alabama uses the word "germane" does he mean germane to the subject or germane to the legislation sent by the Senate to the House?

Mr. UNDERWOOD. Of course I must mean in this case germane to the legislation, because there was but one amendment. If there were a number of amendments I would say germane to the particular paragraph of the amendment, but in this case there is one amendment that covers the whole subject matter and therefore the word "germaneness" applies to the whole amendment.

The PRESIDENT pro tempore. Therefore the Senator is of the opinion that the statement of the managers on the part of the House correctly states the rule—

Mr. UNDERWOOD. I am.

The PRESIDENT pro tempore. That the whole subject of the production of nitrates in time of war and fertilizer in time of peace at Muscle Shoals was before the conference committee?

Mr. UNDERWOOD. Yes.

The PRESIDENT pro tempore. And that any bill the conference committee might agree upon relating to the subject would be in order?

Mr. UNDERWOOD. I certainly think so. I do not think it is necessary in this case to go that far, because the amendments which they made did not go that far; but I do say that the subject matter of the production of nitrogen was not the only purpose of the bill, but so far as that purpose went the production of nitrogen for national defense in time of war and fertilizer in time of peace was the subject matter that the House and the Senate committed to the conference when they made an amendment in the Senate striking out all of the House bill and submitting a new bill, and the House, not amending that bill or agreeing to it, but by disagreeing to the whole amendment sent it to conference.

Mr. SHORTRIDGE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from California?

Mr. UNDERWOOD. I yield.

Mr. SHORTRIDGE. I understand the Senator to contend that the matter given consideration by the conferees is germane?

Mr. UNDERWOOD. It is.

Mr. SHORTRIDGE. Therefore the Senator contends, if I understand his position, that it is not new matter as contemplated by subdivision 2 of the rule.

Mr. UNDERWOOD. Undoubtedly.

Mr. SHORTRIDGE. I think the Senator is absolutely correct.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. UNDERWOOD. Certainly.

Mr. NORRIS. If that be true, then it was within the province of the conferees in this case to decide on the fertilizer question, for instance, that the lessee should be required only to make 1,000 tons of fertilizer per annum, although the minimum in the Senate bill was 10,000 tons and the maximum 40,000 tons, and the continual amount during all the period of the lease under the House bill was 40,000 tons. It seems to me that it would follow that he does contend, if I correctly get the meaning of his answer, that there was absolutely no limit, that the conferees might bring in a bill that would provide for a million tons per annum, or for none, just as they saw fit, if it had anything to do with fertilizer. I would like to know whether the Senator makes that contention.

Mr. UNDERWOOD. If one paragraph had gone to conference and the House had fixed in that paragraph 40,000 tons, and the Senate had fixed in that paragraph 40,000 tons, and amended the other details, I would agree with the Senator that he is correct. But I think the conferees, the way the bill went to conference, had committed to their charge the whole matter of how much nitrogen should be made. But I do not admit the statement of fact that the Senator from Nebraska has made that the Ford bill was limited to 40,000 tons. If the Senator will allow me, when I get through with this argument on my statement in regard to the law of the case, I will come to the other point.

Mr. NORRIS. Will the Senator permit me to modify that matter and eliminate part of it so it will be perfectly plain? He can either answer it now or when he comes to answer that point, as he sees fit.

Suppose, for the purpose of illustration, that the House bill provided for the production of 40,000 tons of nitrogen and that the Senate bill, instead of specifying varying quantities for different years, had provided for the production of 10,000 tons, would the Senator contend that the conferees could bring in a bill providing for the production of only 5,000 tons?

Mr. UNDERWOOD. If that were the sole matter in conference, and but one paragraph was involved, the conferees would be limited by the greater and the lesser amounts; but that is not the issue here.

Mr. NORRIS. That is the issue as to fertilizer. That is the provision of the bill.

Mr. UNDERWOOD. No. I am willing to admit that the Senator makes that contention, but if the Senator will allow me to come to the question in my own way, I think I can state the facts.

Mr. FESS. Mr. President, will the Senator from Alabama yield to a question from me?

Mr. UNDERWOOD. Yes.

Mr. FESS. I am a little confused as to the reference to new matter contained in the rule which was read a little while ago. Suppose the subject was the construction of a canal or was a piece of construction work, and the Senate had authorized the purchase of a thousand horses for the work and the House of Representatives had authorized the purchase of a thousand mules, on the basis that the latter animals would be more serviceable, would or would not the conferees, under the rules as to new matter, be permitted to substitute tractors for the construction work?

Mr. UNDERWOOD. I think they would.

Mr. FESS. And still be within the rule?

Mr. UNDERWOOD. I think they would if one of the legislative bodies had stricken out the original bill and adopted a substitute, because the real subject would be the building of a canal and the method of digging out and removing the sand and dirt would be a mere detail, so far as the main subject matter was concerned.

Mr. FESS. That would be my view of it, for while the provision as to tractors would be entirely different from the provision in the respective bills, yet, in the contemplation of the work to be done, it would not be new matter, it appears to me.

Mr. UNDERWOOD. I do not think so. I think the test would be germaneness to the main subject matter, and the change would be held to be within the jurisdiction of the conferees.

Mr. President, I desire to call the attention of the Chair to the decision on a point of order raised against the conference

report on the tariff bill that came before the Senate on the 18th day of September, 1922. The decision is found on page 12795 of the CONGRESSIONAL RECORD of that session. On that occasion the present occupant of the Chair delivered the decision. The RECORD states that the Senate resumed the consideration of the conference report, and so forth. The President pro tempore said:

The Chair is prepared to rule upon the point of order.

And this is the ruling of the Chair:

The point of order made by the Senator from North Carolina [Mr. SIMMONS] is as follows:

"I wish to make a point of order against the report. I think the conferees have exceeded their authority in the matter of authorization to the President to proclaim the so-called American valuation."

Before I read further, I wish the Chair to bear in mind that this was a case involving a discretion to be given to the President of the United States, where it was proposed to repose in him latitude of authority. So in the case now before the Chair, in reference to the matter of leasing and in reference to almost every other question presented, there is involved the granting of latitude of authority to the President in the making of a contract. We did not send to the House a hard-and-fast provision, but we sent a provision authorizing the President to make a contract subject to certain limitations. The same kind of latitude was proposed to be given to the President in the tariff bill referred to in the decision from which I am reading. Continuing, the Chair said:

The RECORD shows that the House bill adopted what is known as the American valuation as the basis for its ad valorem duties and gave no authority to the President to change the duties prescribed in the bill. The Senate bill adopted what is known as the foreign valuation as the basis of ad valorem duties and conferred upon the President the power to increase or decrease them 50 per cent if found necessary in order to equalize the difference in the cost of production in this country and in foreign countries.

Under the Senate bill, paragraph (a), section 315, and with respect to ad valorem duties, the effect of establishing a foreign valuation necessarily required the President to use that plan in reaching his conclusions. But paragraph (b) of section 315 enlarged his power and permitted him to use the American valuation upon two paragraphs (27 and 28, of Title I, of the tariff bill) if he found that such valuation was necessary in order to make the duties measure the difference in the cost of production at home and abroad.

The conference bill, in so far as the basis of valuation to be employed by the President is concerned, tremendously increases his power.

"The conference bill . . . tremendously increases his power."

It authorizes the President to use in his modification of duties the American valuation upon the entire dutiable list.

It must be obvious that if the only matter of difference between the two Houses had been the authority conferred upon the President in section 315 to modify duties, the conferees would have had no jurisdiction to agree upon a bill which gives the President the authority to use American valuation in dealing with the entire dutiable list. If, therefore, the conferees acted within their jurisdiction, there must be found some other difference between the two Houses, the settlement of which gave them the right to make the radical change in the authority of the President, which their report discloses.

"The radical change in the authority of the President;" and so in this instance there is involved a change in the authority of the President to make a contract.

As already stated, the House bill adopted American valuation and the Senate bill foreign valuation as the basis for ad valorem duties. It is in this difference, if at all, that the jurisdiction of the conferees to make the change respecting the powers of the President must be found. Disregarding for the moment the sections giving authority to increase or diminish duties under certain conditions, it will not be questioned that the conferees could lawfully have agreed that the American valuation should apply to certain of the paragraphs in the dutiable list and the foreign valuation to other paragraphs. Nor can it be doubted that the Senate conferees would have been within their jurisdiction had they receded from the Senate amendment to the Senate bill with regard to valuations, and accepted the House plan of valuation. Furthermore, this could have been done even though the Senate percentages of duties had been retained throughout.

It is commonly believed that if this course had been pursued the duties actually to be paid would, in many instances, be much higher than would be paid under either the Senate or the House bill, and this may be true even though paragraph (b) of section 315 of the conference bill forbids an increase in the rate—

The matter concerning which the Senator asked me a question awhile ago was involved in this case, whether the duties could be higher than those either of the Houses had agreed on—

but in ruling upon a point of order, the Chair can not take judicial notice of that fact, if it be a fact. For aught the Chair knows from the record upon which its ruling must be founded, if the proposed enactment becomes a law the foreign valuation of any given article may be as high or higher than the American valuation of the same article. As a Senator I may entertain a certain belief upon that matter and vote accordingly, but as the Presiding Officer of the Senate, acting in a judicial capacity, I am without knowledge upon the subject.

With these preliminary observations, which seem to the Chair indisputable, we approach the vital inquiry which may be thus concretely stated: In order to reach a settlement of the differences respecting the plan of valuation, could the House conferees rightly say to the Senate conferees, "We will recede from the American valuation plan, accept the foreign valuation plan, and accept the authority of the President to modify duties, provided you will agree to extend the authority of the President so that he may employ our plan upon the whole dutiable list whenever he finds it necessary in order to equalize the difference in the cost of production in this country and in foreign countries?"—

Which in legislative effect was a new subject matter, except that it was germane to the subject matter in dispute—

and could the Senate conferees, acting within their lawful powers, accept the proposal?

The Chair appreciates the consequences which follow an affirmative answer to this question, but these consequences inhere in the nature and extent of the difference between the two Houses relating to the plan of valuation. If the Senate conferees could accept American valuation as a whole—and this is not denied—it seems clear that they could accept a qualified and limited use of that plan by the President. Moreover, if the Senate conferees had accepted American valuation throughout and made no change whatever in section 315, the Chair is of the opinion that the President would have had precisely the same power that he will have under the conference bill.

It is quite impossible to separate valuation from presidential authority in this measure, and the Chair firmly believes that the change which the conferees have wrought in the bill, so far as the question we are discussing is concerned, was within their jurisdiction and that it must be dealt with by the Senate in its action upon the question of agreeing or disagreeing to their report.

The point of order is overruled.

The Chair held in that case it was quite impossible to separate the question of valuation from presidential authority. In other words, it is perfectly evident that the Chair in deciding that question went to the main subject matter that was before the Senate, the House, and the conferees and allowed the conferees to adjust the minor details.

Mr. President, I think that the decisions of the Chair since the adoption of the Curtis rule have been on the basis that conferees are entitled to incorporate changes in their reports that are germane to the subject matter before them. The question, then, arises as to whether the changes of language made by the conferees, which have been brought to the attention of the Chair and of the Senate on the point of order which has been raised, come within the rule of germaneness to the matter that was in dispute.

The first point that the Senator from Nebraska makes is the question of the authorization of the President to employ certain clerks. That is found on page 17 of the Senate print of the two bills together. This paragraph was not in the House bill, nor was it in the Senate bill so far as standing by itself is concerned. It merely provides, as section 11, that—

The President is hereby authorized and empowered to employ such advisory officers, experts, agents, or agencies as may in his discretion be necessary to enable him to carry out the purposes herein specified, and the sum of \$100,000 is hereby authorized—

Not appropriated, but authorized—

to enable the President of the United States to carry out the purposes herein provided for.

Mr. President, the Ford bill authorized a contract to be made by the Secretary of War with Mr. Ford. I think it was subject to the approval of the President, but I do not recall now, and that is not material. The Senate bill, as it went to conference, authorized the President of the United States to make a contract with an unknown lessee under certain limitations. It named the minimum amount of the lease,

and it named the amount of fertilizer that it expected to be manufactured.

What is the subject matter that went to conference on the Senate bill? It was primarily the question of the President making a lease to an unknown lessee. The question that went to conference on the Ford bill was the question of making a lease, the main terms of which were set forth in the bill, between the Secretary of War and Mr. Ford as the lessee. So that the question that was before the conferees for their determination was the question of empowering the President instead of the Secretary of War, or the Secretary of War instead of the President, to make a lease in regard to these properties at Muscle Shoals; and all of the property that is in the conference report was named in either one or the other of the bills. Dam No. 3 is within the scope of both bills, as I shall show the Senate.

Now, the conferees find authority for the President to make a lease of certain property, but they conclude that it will be difficult for the President to exercise this power without some agents; and so, subject to that right to make the lease, they put in a provision here—and the bill could be stricken out entirely; it was all subject to the jurisdiction of the conferees—they put in a provision here authorizing the President to employ certain agents to help him in making this lease.

I contend that that provision is entirely germane to the main purpose of the bill. It is to enable conferees to put in such provisions that the matter is sent to conference to bring the opinions of the two Houses together. Of course, if it had been a bill to allow the President to employ agents, and had stood by itself, that would be a different matter; but this is a mere incident to his power of lease.

Now, as to the annual rental: The annual rental provided for in this bill as it went to conference was 4 per cent. If the Chair will pardon me a minute, I want to be absolutely accurate, and I am trying to find the page.

The PRESIDENT pro tempore. The Chair thinks the Senator will find the matter to which he refers on page 4 of the parallel print, at the bottom of the first column.

Mr. UNDERWOOD. I thank the Chair for calling my attention to it. As the bill went to conference it provided as follows:

The lessee shall pay an annual rental for the use of said property an amount that shall not be less than 4 per cent on the total sum of money expended in the building and construction of Dam No. 2 at Muscle Shoals and the purchase and emplacement of all works and machinery built or installed in connection therewith.

There is nothing said about the locks in that provision for Dam No. 2. It relates to the dam, and it says "4 per cent."

Mr. NORRIS. Mr. President, may I ask the Senator a question there?

Mr. UNDERWOOD. Surely.

Mr. NORRIS. The Senator does not contend, does he, that locks are not included there?

Mr. UNDERWOOD. They may or may not be included, according to the construction. If we take the Ford bill, we find that the locks and the dams are referred to separately, and the two bills were in conference; but the provision in this bill relates only to the dam. That, however, is not the main thing.

It will be observed that in this provision in the Senate bill the rental was 4 per cent on "the total sum of money expended in the building and construction" of the dam. They did not say when that 4 per cent should be paid. It may be presumed that it should be paid annually; but I take it that the correct construction of that language is that it should not be less than 4 per cent, and that in the contract which the President of the United States was to make he would name the times of payment, because it is only a limitation on his power to contract. When we come to the conference report, it provides as follows:

The lessee shall pay an annual rental for the use of said property an amount that shall not be less in the aggregate than 4 per cent for the period of the lease on the total sum of money expended in the building and construction of Dam No. 2 and upon Dam No. 3 after completion, which shall be paid in full each year unless it be shown that, due to expenditures in development and improved equipment for the production of fertilizer as provided herein, the lessee may be granted a deferred payment.

So far as the 4 per cent is concerned, both bills read "4 per cent." One says "4 per cent" and the other says "4 per cent in the aggregate." I think it would have been entirely in the discretion of the President, in writing his contract under the Senate bill, to say that he would take a less part of that 4 per

cent the first year and a greater part the last year. It is clear that when the words "in the aggregate" were used, it was for the purpose of allowing the President to adjust the time of payment so that it would not be uniform in each year; but undoubtedly even on the Senate bill itself, without the Ford bill, that was within its terms. When we come to the Ford bill, however, although it named 4 per cent on certain payments, it left out entirely \$17,000,000 of the cost of this dam, the first \$17,000,000 that was paid. It left it out, and then it provided for certain annual payments of fixed amounts. It was supposed to be 4 per cent. So that the Ford bill did not provide for 4 per cent on the cost of Dam No. 2. I am not talking about Dam No. 3. I will come to that later on. It did not provide for 4 per cent on the cost of the dam and locks.

The Senator from Nebraska is mistaken about that. It provided for an amount that was supposed to be, in the aggregate, equal to 4 per cent on the cost of that dam and lock, with \$17,000,000 deducted, the first \$17,000,000 that went into the river, so that the conferees had a very grave difference in that matter.

The House conferees insisted on the deduction, and instead of saying, as they clearly could within the strict power of limitation, "We will deduct \$17,000,000 as provided in the Ford bill," they provided that there should be a deduction, within the discretion of the President, of a part of the cost of this dam that might be charged to navigation and the locks. The locks were not mentioned with the 4 per cent. The chairman of the committee must go to the extent of finding that when we mentioned Dam No. 3 and 4 per cent on it—we meant the locks in the first place—and then he must find that there was no issue between the two bills when there was an issue of \$17,000,000.

Mr. HARRISON. And, if the Senator please, there was an issue as to the time when the first payment was to be made by Mr. Ford, both on Dam No. 2 and on Dam No. 3. They were to start at different times.

Mr. UNDERWOOD. Absolutely; and, more than that, there was the grave issue, so far as payments were concerned, that the payments in the Ford bill ran over 100 years, and the payments in this bill run over 50 years. So that there was an absolutely chaotic condition so far as the subject matter was concerned that was sent to the decision of the conferees; except that they used the words "4 per cent." In fact, neither bill calls for 4 per cent on the full subject matter. So, I think it was entirely within the prerogative of the conferees, instead of making the deduction that was provided for in the Ford bill, to make a deduction, and I will call the Chair's attention to the fact that they do not make the deduction on the dam. They leave it to the discretion of the President of the United States to make the deduction if he sees fit.

The PRESIDENT pro tempore. That is very material, in view of the position taken by the Senator from Alabama, and the Chair wants to get that in his mind correctly. The Chair understands that the Senator from Alabama contends that the conferees could take the Senate bill and make any addition to it that could have been made on the floor of the Senate by amendment if the rule of germaneness applied to the legislation in the Senate.

Mr. UNDERWOOD. If it was germane to the subject matter of the bill; and the subject matter that we are talking about right now is a lease, the subject matter that went to conference.

The PRESIDENT pro tempore. But does the Chair correctly state the view of the Senator from Alabama? We had a bill before the Senate. Assuming that the rule of relevancy or germaneness applied to ordinary bills in the Senate, the Senator from Alabama contends that the conference committee could make any change in the Senate bill that could have been made on the floor of the Senate originally?

Mr. UNDERWOOD. No; I have not made that contention. I did not make myself clear to the Chair.

The PRESIDENT pro tempore. The Chair really desires to get the view of the Senator from Alabama.

Mr. UNDERWOOD. In accordance with the decision of the Speaker in the tax case, and of the present occupant of the Chair in the tariff matter, I say that the conferees have within their jurisdiction the right to make amendments to the main subject matter, amendments which are germane to the issue presented to them. The issue presented to these conferees was the question of making a lease of certain property. There is no contention that the property has changed, and there is no contention that the power to lease is changed, as provided in the bill as it passed the Senate, because when the

bill went to conference that power was in the President's hands, and under the conference report it is still in the President's hands.

Mr. COUZENS. Mr. President, the Senator from Alabama has said that the subject matter was a lease. I wonder if he would contend that the conferees would have a right to bring back a conference report leasing Muscle Shoals to the Japanese Government? If it is simply a matter of lease we are dealing with, that would be germane.

Mr. UNDERWOOD. Of course, the Senator from Michigan is trying to present an absurd proposition, so absurd that it would fall. But let me answer the Senator's question by asking him one. The conferees had in conference a bill providing for the leasing of this project to Mr. Henry Ford. That was stricken out, and the Senate provided for a contract of lease, not naming the lessee. Does not the Senator think the conferees would have had a right, if they had seen fit, to return the Ford bill to the Senate with the name of Henry Ford stricken out, and the name of his former partner, the distinguished Senator from Michigan, inserted in its place? I think they would have had that right.

Mr. COUZENS. Under the theory of the Senator from Alabama they might, as I suggested, equally well substitute the name of the Japanese Government if they have a right to stretch the language.

Mr. UNDERWOOD. They might have substituted the man in the moon, of course, but that would not have been practicable or feasible, but it would have been practicable and feasible if they had substituted the name of the junior Senator from Michigan, because I think he would have had full power to carry it out, as much so as his former partner, and I think it would have been entirely within the power of the conferees to do that.

As I have said, what I am contending is that the issue in reference to this payment, the real issue involved, was the question of a lease, and that the Ford offer of lease was on an entirely different basis from the offer set out in the bill as it passed the Senate, and the conferees of the two Houses had to reconcile that difference as to payment. What they did was entirely germane to the subject matter, which was the proposal to lease. There was no agreement of language between them, because, as I have said, it might be said that "4 per cent on \$100" and "4 per cent on \$1,000" are the same, because both expressions contain the words "4 per cent"; but the equation is a very different thing. The conferees had to reconcile the differences, and they did reconcile them. More than that, this is a mere limitation, a provision that the President shall not go below a certain figure. Therefore for that reason I do not think the conferees violated the rule and departed from the subject matter before them.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. NORRIS. The Senator has referred to one of the questions I asked him, and he said he would discuss the question when he reached that point. I think the Senator has forgotten my contention on that point made in my statement of the point of order, that the payment for the lease under the conference bill may be less than that provided for either in the bill as it passed the Senate or the Ford bill. The Senator can not deny that that may be true of the conference bill from the language, and if that be true then have not the conferees gone outside of the limit of both bills?

Mr. UNDERWOOD. The Senator says "if that be true." Does the Senator assert it is true?

Mr. NORRIS. I do assert it is true, and I did not suppose anybody would deny it.

Mr. UNDERWOOD. That the amount of the lease under this bill is less, if the Senator takes the minimum, than the amount Mr. Ford would have paid under his bill, running over 100 years, with \$17,000,000 deducted from the principal?

Mr. NORRIS. No; I do not think the Senator has stated my position correctly. I am not saying that it would be less taking a hundred years into consideration.

Mr. UNDERWOOD. That was a feature of the Ford offer.

Mr. NORRIS. The conferees had no authority to go below 50 years, and since the limit was put at 50 years, and an annual rental fixed, my contention is that the annual rental under the conference bill is less than the annual rental either under the Ford bill or the bill as it passed the Senate. That is the contention, and I think that presents a fatal objection.

Mr. UNDERWOOD. I do not agree with my friend from Nebraska about the annual rental being less than that under the Ford bill, and if he will merely take a piece of paper and figure the annual rental under the Ford bill, he will find that it is true that it was to run over a hundred years, and how can

the Senator say that because in this argument he is going to reduce the period by 50 years and double up the payments in the Ford bill for a period of 50 years—

Mr. NORRIS. I am not trying to do that. The Senator misunderstands me.

Mr. UNDERWOOD. If the Senator takes the annual rental under the Ford bill, over a hundred years—

Mr. NORRIS. It is 4 per cent after the first six years. It would be just the same the tenth year as it would be the hundredth year. I am speaking of the annual rental.

Mr. UNDERWOOD. But it is 4 per cent less \$17,000,000.

Mr. NORRIS. But it is 4 per cent on the expenditures, less the amount that was expended prior to a certain date.

Mr. UNDERWOOD. Certainly.

Mr. NORRIS. I will state my position so the Senator will understand me. I contend that the amount in the conference bill is less than the amount involved in the Ford proposition, and is likewise less than the amount figured under the Senate bill; that the minimum annual rental is less. It can be reduced, under the conference bill, to absolutely nothing.

Mr. UNDERWOOD. Mr. President, of course I see what the Senator means. There is a provision in this bill which authorizes the President to make such allowance in his deduction of the cost of this dam for the use of navigation, and make that deduction before he commences calculating the interest for the lessee. Of course, the purpose of that was to avoid making the lessee pay for the cost of maintaining navigation when he is not required to do so anywhere else. That is a thing the Government gives the public. I suppose that is the reason the conferees left it out. But because that language is used the Senator wants us to assume that the President might deduct the entire cost of the dam except one dollar, under that language; that because he is allowed to deduct from the cost of the dam so much to be charged to navigation he can deduct the entire cost. I think the Chair could hardly give such a construction as that to this proposition, and certainly the President would not, in making the contract.

I think it perfectly clear that there was great latitude in the hands of the conferees in the fixing the amount of this rental, but even if there had been no Ford bill, and the House had merely disagreed to the Senate rental, I think it was entirely within the power of the conferees to reduce the rental, if they desired to do so, because if they did not have the power to adjust their differences on that subject matter why should they go to conference?

They had a right either to raise the standard or lower it. It is not as if there were a standard fixed between the two Houses where there were two bills which were in agreement on the same subject matter and the same rental value, because the Ford bill was not framed on the same valuation as that which underlies the bill reported by the conferees.

Mr. HOWELL. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. HOWELL. How much, in the Senator's opinion, will be deducted from the cost of this dam because it is useful for navigation purposes?

Mr. UNDERWOOD. I suppose the question of the cost of the locks will be a matter of ascertainment by the engineers. It should not be more than the Ford proposition provides.

Mr. NORRIS. The Senator does not contend, does he, that the locks constitute the only aid to navigation in connection with that project?

Mr. UNDERWOOD. No—

Mr. NORRIS. In the conference bill the cost of the locks is mentioned specifically.

Mr. UNDERWOOD. I am not discussing that. The junior Senator from Nebraska asked me a different question. He asked me the amount—

Mr. NORRIS. I understood the Senator to answer that it would be the cost of the locks.

Mr. UNDERWOOD. No; I said the cost of the locks would be—

Mr. HOWELL. I was not referring to that. That is specifically excluded. I am referring to the value of that dam for navigation purposes. How much would be deducted from the cost of that dam, \$45,000,000, because of its value for navigation purposes?

Mr. UNDERWOOD. I will say to the Senator that I am not an engineer and I am not familiar with the figures. I suppose the President would call on the engineers to make an ascertainment; but, of course, in the last analysis the President would have the discretion in the matter. As to how much he will deduct, I do not know. It probably will be several million dollars.

Mr. HOWELL. Does not the Senator think it might be \$20,000,000?

Mr. UNDERWOOD. No; I do not.

Mr. HOWELL. Why does not the Senator think so? He says he is not an engineer.

Mr. UNDERWOOD. Because I do not think the President would allocate that much to navigation, as between navigation and power.

Mr. HOWELL. But the President, the Senator says, is not to determine this; that engineers are going to determine it.

Mr. UNDERWOOD. The Senator did not understand me.

Mr. HOWELL. I beg pardon; I think I understand. The Senator suggested that engineers would determine it, and undoubtedly the President will refer it to engineers. Suppose those engineers declared that \$20,000,000 of the cost of this dam should be deducted because of the advantages to navigation?

Mr. UNDERWOOD. I will say to the Senator—and I have said all the time—that I have no doubt the President would refer it to the engineers and that they would make an estimate, but in the final analysis the President would decide the matter.

Mr. NORRIS. Mr. President, I want to ask the Senator a question right on that point. I agree with him fully when he says that in the final analysis the President would decide the matter. I want to ask the Senator if he will not agree to this, that under the language of the bill it is within the power of the President to charge it all up to navigation?

Mr. UNDERWOOD. I think if it were some one else than the President, if it had been detailed to somebody who was amenable to an injunction, the language would be subject to that construction.

Mr. NORRIS. Does the Senator think, assuming that we had a right to begin injunction proceedings against the President, that there would be any basis in law for an injunction if the President decided that the value to navigation was the entire cost of the dam? Could he not do that under this language if he wanted to do it?

Mr. UNDERWOOD. I think so. I think he would then be subject to an injunction.

Mr. NORRIS. Where would the Senator draw the line that the injunction would lie?

Mr. UNDERWOOD. I can draw one line very clearly, and that is the cost of the power house. If he allocated the entire cost of the construction there to navigation, of course the court would enjoin him from going beyond the terms of the bill.

But I am not arguing the amount. I do not know what it will be. I have confidence in the President of the United States and I do not think he will make any unreasonable deduction. However, that is not the issue involved in the point of order. It is admitted that the President has the right to make a deduction on the cost of the locks under the terms of the conference bill. Whether it is \$1 or \$100,000,000 does not vary the parliamentary situation here a particle. What I am saying is that in determining the amount there has been no hard and fast rule adopted. If there had been, under the Ford bill, nobody could question that it would be within the power of the conferees to raise or lower the amount of the lease, either by making it 2 per cent or 6 per cent.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. UNDERWOOD. I yield.

Mr. SMITH. Was any such power as the Senator from Nebraska has called attention to contemplated or conferred in either the bill passed by the Senate or the so-called Ford bill?

Mr. UNDERWOOD. The Senator was not here when I explained that point. I think the Ford bill does provide for the Government paying for the cost of the locks. My recollection is that that is provided in the Ford bill. Of course, in the bill passed by the Senate, there was nothing said about the locks. It provided that they should pay 4 per cent on the cost of the dams. When they got to conference, the conferees eliminated the locks in so many words. I think as the bill passed the Senate it was entirely within the discretion of the President to have eliminated the locks if the language of the bill had not already so provided.

Mr. SMITH. Then the 4 per cent we provided upon the cost of the dam could be so reduced by Executive order that there would be no 4 per cent on anything?

Mr. UNDERWOOD. No; I will not go that far because I think that deduction—

Mr. SMITH. But the Senator admits that the President could cut it down?

Mr. UNDERWOOD. I do not think that is a fair construction of the language. Within reasonable limitations I think the President could reduce the cost of the rental.

Mr. SMITH. May I ask the Senator another question? If there had been brought fairly before the Senate a proposition that we were going to enact into law a provision that would give the President the power to say the value of the locks and dams for governmental purposes was such that he might totally eliminate any income or any per cent on the cost of the dam, does the Senator think it would have passed this body?

Mr. UNDERWOOD. I will say to the Senator that it was not in issue.

Mr. SMITH. It is in issue now, brought in here by the action of the conferees. We are supposed to be legislating, and I am getting at the point that is involved, whether the President should have the power to say that the dam, so far as the lease to the lessee is concerned, should not cost anything because of its value to the Government. If that proposition had come up, does the Senator think the bill would have passed this body and the other body of Congress?

Mr. UNDERWOOD. The Senator is now going into a theory which did not exist when the bill was before the Senate. The language was put in by the conferees.

Mr. SMITH. That is the very point at issue. It is brand-new matter.

Mr. UNDERWOOD. I am contending to the Chair that it is not new matter, that the matter before the conferees was a minimum price for the lease, and if we say that the House through its conferees could not lower the price as sent to them, then we would tie their hands and there would be no open and free conference. I am not arguing the merits of the case and I am not going to do so now.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. UNDERWOOD. Certainly.

Mr. HARRISON. Can there by any question raised that the conferees would have had a right to reduce the 4 per cent interest charge?

Mr. UNDERWOOD. I do not think so.

Mr. HARRISON. If that be true, they could certainly cut away the cost of the lease?

Mr. UNDERWOOD. I do not think there is any question about it.

Mr. SMITH. They could give away the whole property.

Mr. UNDERWOOD. They could have come here and said they reduced the cost, if they wanted to.

Mr. SHIELDS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. UNDERWOOD. I yield.

Mr. SHIELDS. I understand the question in regard to this particular matter was the rental to be charged. In the Ford bill Ford proposed to pay us interest on the expenditures in building the dam and some other things accruing after May 20, 1922. There had been about \$17,000,000 expended before that time. Now the conferees propose that it shall be interest on the amount invested before and after that time, excepting from it what the President may find contributes to navigation purposes. There is no difference in it whether we take the navigation part as what Mr. Ford excludes or what the President may exclude for that purpose. In other words, the question is, What was the rent to be? Shall it be ascertained in the way Mr. Ford did it, by excluding the amount on which interest was to be paid before he rented, or by the President ascertaining how much was for navigation purposes, and therefore excluded?

Mr. UNDERWOOD. I think the Senator is absolutely right. That is what I have been trying to make myself clear about in my remarks to the Chair.

Mr. NORRIS. Mr. President, will the Senator yield again?

Mr. UNDERWOOD. I did not want to take so much of the time of the Chair in discussing the question and I would like to finish my argument to the Chair, but of course I yield to my friend from Nebraska, who made the point of order.

Mr. NORRIS. I am certainly not anxious to take up time either, and I am only asking such questions as I think may enlighten the Chair by having them elucidated.

The Senator said, in answer to the Senator from Mississippi, that the conferees would have the authority to cut down the 4 per cent. Does the Senator believe that?

Mr. UNDERWOOD. Undoubtedly.

Mr. NORRIS. Does he not recognize that under the Ford offer 4 per cent was provided for, and in the Senate bill it said not less than 4 per cent? If they are going to use a percentage, it seems to me that it must be conceded by the Senator that they have no authority to go below 4 per cent because that was the rate provided in both the Ford bill and the Senate bill. The amount that is actually paid, however, is determined by the

basis upon which the 4 per cent is reckoned, and the contention is I think admitted that the basis upon which we reckon the 4 per cent under the conference bill is less than under either one of the other bills.

Mr. UNDERWOOD. I will state the proposition again. Of course, I do contend that they could change the 4 per cent. I do contend that the 4 per cent as named in the Ford bill was not the 4 per cent named in the Senate bill, because it seems to me it is perfectly clear that the subject matter that went to conference was the amount of the rental. It was not a matter of percentage. That was merely a way of expressing the rental. The subject matter was a rent sum. Assuming that the dam would cost \$50,000,000, 4 per cent would be \$2,000,000 a year. Mr. Ford was to build under his contract and we were not going to build it. He was going to pay the cost of his building program and not ours; but for the sake of argument, assuming that it would cost him \$50,000,000, and deducting \$17,000,000 from it, that would leave \$33,000,000, which would bring something like \$1,300,000 rental, a little less than 3 per cent on the total \$50,000,000.

Is the Chair going to hold that because some place in the Ford contract they used the term "4 per cent" in ascertaining the amount of rental, and in this bill they used 4 per cent in ascertaining the amount of rental, that that was in issue before the House, or was it the amount of the rental? One was based on a valuation of something like \$50,000,000, the cost of the dam, and the other was based on an unknown cost of the dam, deducting \$17,000,000. I think the argument of the Senator from Nebraska, with all due respect to him and not being unduly critical, reduces itself to an absurd proposition. To say that the issue was the rate of interest, that the rental value was the rate of interest—

Mr. NORRIS. But I did not say that.

Mr. UNDERWOOD. That is what the 4 per cent relates to.

Mr. NORRIS. There is no change in the rate of interest. I have not even contended that. I am not interested in the hypothetical question raised by the Senator from Mississippi, because in the Senate bill, in the House bill, and in the conference bill all have used 4 per cent interest. There is no question about that at all. But the amount of money rental which the Senator said would be realized depends on the basis upon which we reckon the 4 per cent.

Mr. UNDERWOOD. When we come to the amount of the rental, either annual or total, it is a matter of arithmetic and the Chair in the tariff case said he was not going into a question of that kind because he did not know. It was based on a dam that Mr. Ford was going to build, with no valuation to it. He might build it very much more cheaply than the Government would build the dam or it might even cost him more; but assuming that it cost him the same and deducting \$17,000,000 for it, it is a mere matter of arithmetic to demonstrate the fact that the rental was cheaper than the rental provided for in the bill, unless the Senator wants to say that the President is going to make an enormous deduction or an unusual deduction for navigation purposes.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. UNDERWOOD. Certainly.

Mr. LENROOT. Upon the question of rental I would like to ask if the matter in difference was not solely whether there should be deducted 4 per cent on the cost of the dam or 4 per cent on the cost of the dam less \$17,000,000?

Mr. UNDERWOOD. I do not think so. I think the Senator may take a very narrow construction of the contract, a very narrow construction of the issue between the two Houses, and say that it revolves around the words "4 per cent." I do not think that is the issue at all. I think the issue was the amount of the rental measured in dollars and cents.

Mr. LENROOT. The issue was the amount of money that would come to the Government.

Mr. UNDERWOOD. Certainly.

Mr. LENROOT. The House said 4 per cent of the cost less \$17,000,000, and the Senate said 4 per cent of the entire cost.

Mr. UNDERWOOD. Yes; showing that the entire subject matter of the rental was in issue between the conferees. I do not think there is any question about that. I think their decision and their final conclusion in the matter was entirely germane to the issue which they had under consideration. They had to adjust it and they did adjust it. They adjusted it, in my opinion, by lowering the Senate rate to some extent and raising the amount provided for in the Ford bill.

But that, of course, is not ascertainable, because the amount provided in the Ford bill is not fixed, as we do not know how much it would cost Mr. Ford to build the dam.

As to the question of fertilizers, the object of this bill is the dedication of certain property at Muscle Shoals to national defense in time of war and the production of fertilizer in time of peace. As it went to conference, the words "according to demand," I must say, slipped into the Senate bill without my knowledge, but as finally passed the bill provided that the lessee should make so much nitrogen "according to demand." As a matter of fact, the Senator from Nebraska argued on the floor when the bill was under consideration that that left the question as to how much nitrogen should be made in an entirely nebulous condition; that it left it to the discretion of the lessee; and on the Senator's argument I agreed to strike those words out.

I hardly know how properly to characterize what happened, but the Senator's bill at one stage of the proceedings was substituted for my bill. Then I came back and again offered my bill with an amendment. Subsequently, I accepted an amendment in place of section 4 as found in my bill. With the drafting of that amendment I had nothing to do, but the language was adopted by the Senate, and was made a part of the Senate bill.

Mr. NORRIS. Mr. President, may I interrupt the Senator from Alabama at that point?

Mr. UNDERWOOD. The Senator may.

Mr. NORRIS. The Senator from Alabama will remember that the language which went out of the bill on my motion, and which the Senator himself consented should be stricken out, embraced more than the words "according to demand."

I was told by other Members of the Senate that they thought that language of very little importance; that it did not mean what I thought it did; but other words were stricken out and never were restored. The Senator said when he consented that they be stricken out that he did not regard them as amounting to anything; that they did not mean anything, that he had just as lief that they should be out as in. Now the Senator, as I understand, is arguing that because those words were again in, some way or other, as a matter of fact, slipped into the Senate bill, the lessee would be required to produce no fertilizer whatever. Does the Senator mean to admit that about his bill as it passed the Senate?

Mr. UNDERWOOD. No. But, as I have stated, I was not responsible for those words; I took them out of the Ford bill, but the wording which the Senator has just said was of so much importance in limiting the amount of fertilizer was in the Ford bill; and he contended on the floor of the Senate that the words "according to demand"—

Mr. NORRIS. I will say to the Senator that I am not contending that the bill is subject to a point of order because those words are in it. If they were not in the Senate bill, and the conferees had put them in, they were in the Ford bill and it would have been proper to put them in. As a matter of fact, they were in, but the conferees eliminated them.

Mr. UNDERWOOD. That is true.

Mr. NORRIS. I did not contend that that would make the report subject to a point of order.

Mr. UNDERWOOD. But what I am contending is that the language of the Ford bill did not require the lessee, Mr. Henry Ford, absolutely to make 40,000 tons of fertilizer, but it provided that he might make that amount "when practicable" to do so and "according to demand."

The Senator from Nebraska contended on the floor that that language did not require the production of 40,000 tons, but left it to the discretion of the lessee, Mr. Henry Ford. I myself, believing that the production of 40,000 tons should be provided for, yielded to the Senator's argument and consented to strike those words out of the bill, and they are out of the bill now. So it does not lie in the Senator's mouth to come here and argue that the conferees had before them only the question of the production of 40,000 tons of nitrogen.

The Senate bill in paragraph 4 and the Ford bill in paragraph 16 as they went to conference were pretty nearly identical, except that the Ford proposition provided that the lessee should make 40,000 tons "when practicable," and the Senate bill used the words "according to demand." The words "according to demand" were left in the Senate bill, and were used in a different way and at a different place. The words "when practicable" were stricken out. I only say that to show that the conferees in considering the Ford bill and the Senate bill did not have before them provisions merely calling for the production of 40,000 tons of nitrogen, but they had in the Ford bill a provision which allowed the production of an indeterminate quantity.

According to the argument of the Senator from Nebraska, the production might have been 40,000 tons or it might have

been much less, but provision was made in the Senate bill for the production of 40,000 tons.

With that provision before them what did they do? They wrote in the requirement for the production of 40,000 tons of fixed nitrogen after a period of years. The Senate bill fixed the period of years at 6 and the conferees extended it to 10 when the production must be 40,000 tons of fixed nitrogen or 10,000 tons of phosphoric acid in place of the nitrogen.

Mr. President, as I have said, the conferees were not tied to a hard-and-fast requirement as to 40,000 tons, because the bill embodying the Ford offer was in conference and that bill did not make a hard-and-fast requirement as to the production of 40,000 tons of fixed nitrogen. What I contend is that the main purpose of this bill, in addition to the purposes I have indicated, was the production of fertilizer. The conferees in the bill reported by them allow the lessee to make 10,000 tons of phosphoric acid fertilizer in place of 10,000 tons of nitrogen fertilizer. I think that was within the scope of their authority, for it was merely defining the kind of fertilizer to be made, and, as a matter of fact, the production of phosphoric acid was contemplated in the language of the so-called Ford bill.

Mr. KENDRICK. Mr. President, may I interrupt the Senator?

Mr. UNDERWOOD. I yield.

Mr. KENDRICK. I understood the Senator to say that under the provisions of the conference report the lessee was to be allowed to substitute 10,000 tons of phosphoric acid for 10,000 tons of fixed nitrogen?

Mr. UNDERWOOD. No; I do not think I said that.

Mr. KENDRICK. I think the Senator made that statement. That provision of the bill as submitted by the conferees is on the basis of the Ford offer. If the Senator will permit me, I wish to say that in the hearings the statement was made more than once that the nitrates in themselves would probably not be available for the manufacture of fertilizer; that it was questionable whether they could be utilized; and so, in carrying out this plan, it was merely intended by the conferees further to promote the production of fertilizer for the farmers.

Mr. UNDERWOOD. The Senator is accurate, and I am glad that he corrected me. I did not understand him at first. I referred to 10,000 tons of phosphoric acid being substituted for 10,000 tons of nitrogen fertilizer, but, of course, what is really meant is four times that amount.

Mr. KENDRICK. Exactly.

Mr. UNDERWOOD. I realize that. However, so far as the argument is concerned, the real issue is fertilizer, and when it comes right down to the question there was no fixed limit in the Ford offer. It could not be determined by the Ford offer how many tons of fertilizer would have been produced. The quantity might have been 40,000 tons, or it might have been 10,000 tons, because it was to be made "according to demand" and "when practicable." So, of course, the provisions of the bill in this respect as submitted by the conferees do not violate the terms of the two measures that were in controversy and that were to be adjusted by the conferees.

Now, Mr. President, as to Dam No. 3, I have only to say that if the Chair will examine the Ford offer he will find as to Dam No. 3 that there is provision made for the building of the dam, the payment by the Government for the building of the dam, and the amount that Henry Ford shall pay for the dam. All those provisions are made in the so-called Ford bill practically as complete as in the conference bill. On the other hand, while the authorization for the building of Dam No. 3 was in the Senate bill it did not provide for its immediate construction, but it was merely authorized. The Chair will find it in section 11 or 12 of the Senate bill. In the Ford bill, however, there was a complete proposal in every way for the building of Dam No. 3.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. UNDERWOOD. Certainly.

Mr. NORRIS. A complete proposition, as the Senator says, was contained in the House bill not only for the construction of Dam No. 3 but for its lease to the Ford Co. It provided for the payment of 4 per cent annual interest, with the exception of the first few years, on the total cost of construction. There was not any \$17,000,000 exemption as to Dam No. 3, but the charge was to be 4 per cent on the whole thing. The conference bill provides for the same reduction: First, for the cost of locks, and, second, for the amount by which the President shall find navigation is benefited. So the argument the

Senator made in regard to Dam No. 2 and the \$17,000,000 exemption can not apply to Dam No. 3, because an examination of the House bill will disclose that the 4 per cent is reckoned on the total cost of Dam No. 3, while in the Senate bill there was a reduction made for the cost of locks and also for an amount to be fixed by the President as a benefit to navigation. However, in my point of order I have not raised that question as yet.

Mr. HARRISON. Mr. President, will the Senator permit a suggestion?

Mr. UNDERWOOD. I will.

Mr. HARRISON. The Senator speaks of the 4 per cent interest on Dam No. 3 not applying to the deduction of \$17,000,000; but the Senator will not forget that in the Ford offer Mr. Ford was to get a title in fee simple to a great amount of land, and there is no title in fee simple here; and certainly in figuring consideration we must take into consideration the transfer of that fee-simple title.

Mr. NORRIS. Mr. President, Mr. Ford was to get an engine, and some scrapers, and a lot of things; but this lessee does not get them, because in the meantime they have been worn out. The facts are, however, that there is a great deal of property that cost the Government much more than the dam that is included in this lease, and the cost of it is nothing but the 4 per cent interest on the dam. That is the only rent that is paid, not only for the dam but for all the other property that the Government has down there. I will cite the Senator, if he wants me to, to the page in the House bill where Dam No. 3 is provided for, and its lease.

Mr. UNDERWOOD. I have it right here, on page 5, section 7.

Mr. NORRIS. It is on page 5 of the House bill.

Mr. UNDERWOOD. We might as well have the provision in the RECORD, so that we will have no dispute about it in the future.

Section 7 of the Ford bill says:

SEC. 7. The company will lease from the United States Dam No. 3, its power house, and all of its hydroelectric and operating appurtenances, except the lock—

Mr. NORRIS. But that is in the lease.

Mr. UNDERWOOD. To be sure.

Mr. NORRIS. The Senator has not come to the rental yet.

Mr. UNDERWOOD (reading):

together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of the said dam, for a period equal to the lease term of Dam No. 2 and its hydroelectric power equipment thereat as stated in paragraph 3 hereof, in order that said respective lease terms of the two dams and the hydroelectric equipment thereat shall expire at the same time, the said period to begin from the date when structures and equipment of a capacity of 80,000 horsepower are constructed and installed and ready for service, and will pay to the United States—

Mr. NORRIS. Now the Senator is coming to it.

Mr. UNDERWOOD (reading):

as annual rental therefor, 4 per cent of the actual cost of acquiring lands and flowage rights, and of constructing the lock, dam, and power-house facilities, payable annually at the end of each lease year, except that during and for the first three years of the lease period the rentals shall be in the following amounts and payable at the following times, to wit: \$160,000 one year from the date when 80,000 horsepower is installed and ready for service, and thereafter \$160,000 annually at the end of each year for two years. Dams Nos. 2 and 3 shall be included in the lease.

Mr. NORRIS. Mr. President, will the Senator yield there? He will notice, in the language he read, that in fixing the basis upon which the 4 per cent is reckoned the entire cost of the dam, including the locks, is to be considered, but in the lease the locks are excluded, because they belong to the Government of the United States; but the 4 per cent is reckoned on the cost of the whole thing. In the conference bill which the Senator is defending he must admit that in specific terms the cost of the locks is excluded, in addition to the fact that the President is given the right to add another amount for the benefit to navigation.

Mr. UNDERWOOD. Undoubtedly, Mr. President. The House sent to us a bill providing for the construction of Dam No. 3, and fixing a rental value on it of 4 per cent of its cost as built by Mr. Ford, not built by the Government. We had no way of ascertaining what the cost would be. We do not know how much it would have cost Mr. Ford to build this dam. The Government was not going to build it. It was just going to give him the money with which to build it, and then he was going to pay 4 per cent on that money after the first three

years. When the bill came over here we struck it out, and then we inserted an authorization for the building of Dam No. 3 without saying anything whatever about payment or lease. When the matter went to conference was it not entirely germane to the question in conference for the conferees on the part of the Senate to say: "We do not agree with you as to the amount of this rental"? In the first place, they did not know what the rental was, and you do not know, and I do not know, because it was 4 per cent on an unascertained amount on an unconstructed dam.

The PRESIDENT pro tempore. The Chair agrees with the Senator from Alabama that it is entirely germane. That is not the matter about which the Chair is in doubt.

Mr. UNDERWOOD. Mr. President, the House wrote into the Henry Ford contract a provision for the building of Dam No. 3. It was proposed here, but the Senate was not willing to agree to the building of Dam No. 3, and merely authorized it. When the matter got to conference, however, the House insisted that Dam No. 3 should be built. Of course, if the Chair holds that when the Senate yielded it had to yield to all the terms of the building of Dam No. 3—

The PRESIDENT pro tempore. The Chair does not so hold. The Chair does not entertain any view of that sort. This is the point that is in the mind of the Chair:

The rule says:

If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill—

And so forth. The Senator from Alabama construes that as though it read:

If new matter other than germane matter is inserted in the report.

The Chair wants the best information he can get with regard to whether "new matter" is to be construed as synonymous with "germane matter."

Mr. UNDERWOOD. Mr. President, I think if it is new matter it also must be germane. It is not a question of their being synonyms. We might have new matter that was not germane matter; but if it is new matter, or if it is matter that was not in the bill itself, then it must be germane; and, I say, if it is germane that is the reason for the rule.

When the Senate of the United States changed the old rule that allowed the conferees to put almost anything in a conference report, I do not think they intended to go to the extent of saying that any conferee hereafter shall be bound hard and fast by the language of the bills. If that were done, we would never agree.

The PRESIDENT pro tempore. So far as the Chair is concerned, he is not considering the language. The same thought may be expressed in half a dozen different ways.

Mr. UNDERWOOD. Certainly; but what I say, Mr. President, is this: As has been said in the olden script, the reason of the law is the life of the law, and without the reason there is no life in the law. I say the same thing about this rule. The reason of this rule is the life of the rule, and if there is no reason in the rule then it is only a failure that will hamper legislation in the future. The reason is that we want to hold our conferees within the reasonable jurisdiction that has been granted to them, the subject matter that has come before them for consideration; but at the same time within that subject matter we must give them sufficient latitude to reconcile their differences and come to an agreement, or in the future we never will be able to secure conference reports about disputed matters. The Senate will simply have its conferees trailing in, and when an objection is made, letting their conference reports fall and defeating legislation because of matters of no importance.

Mr. BRUCE. Mr. President, will the Senator let me interrupt him just one moment?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Maryland?

Mr. UNDERWOOD. Certainly.

Mr. BRUCE. May not the proper construction of the words "new matter" be "foreign matter"? Is not "new" used there in the sense of "foreign," in the strict signification of the rule?

Mr. UNDERWOOD. I think so. I think the Senator is correct about that. It is foreign matter, foreign to the subject matter; not that it happens to be new matter that relates to the subject matter.

Mr. President, I have taken a great deal of time that I did not intend to take; but I apologize to the Chair, and call the Chair's attention to the fact that I have had to yield for interruptions.

I think there is only one other question that the Senator from Nebraska raised and that was this allocation of \$3,000,000 on page 13 to the building of Dam No. 3:

The appropriation of \$3,472,487.25, the same being the amount of the proceeds received from the sale of the Gorgas steam power plant, is hereby authorized for the continued investigation and construction, by contract or otherwise as may be necessary, to prosecute said project to completion. Further expenditures to be paid for as appropriations may from time to time be made by law.

Mr. President, nobody can construe that as an appropriation. That language never could be carried past a Comptroller of the Treasury and the money secured on it. It is an authorization. It names this particular amount that it allocates in this way; but the paragraph itself is a complete authorization. The whole of paragraph 8 is an authorization for the building of Dam No. 3, and it does not affect it to name this particular sum of money, because it contemplates naming a great deal more.

If this had been an appropriation there might be some question raised, but even then I think it would be carrying out the purpose of Dam No. 3. This, however, is not any more of an authorization than was already contained in the Ford proposal.

Mr. NORRIS. Mr. President, may I interrupt the Senator again there? I am willing to admit, for the sake of the argument, whether it is an appropriation or an authorization or what it is, that it is in the conference bill. It is a matter of great importance, providing for the construction of Dam No. 3—an authorization, if the Senator wants to call it that, for so much money, over \$3,000,000. It is not in either the Senate bill or the House bill. It is entirely and absolutely new. That is the reason why it is subject to a point of order.

Mr. OWEN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Oklahoma?

Mr. UNDERWOOD. I yield.

Mr. OWEN. I merely wish to observe that where the conferees insert matter which is truly intended to reconcile the differences between the two Houses it can not be construed to be new matter, whatever form it may take, if it be a just attempt on the part of the conferees to reconcile differences between the two Houses.

Mr. UNDERWOOD. Mr. President, I will close in a moment. My contention is that there is an authorization already in the bill as it passed the Senate for the building of Dam No. 3, and that there is merely an authorization in section 8 of the conference report for the immediate authorization of \$3,472,487.25 plus for future appropriations. That is not an appropriation, and amounts to no more of an appropriation than does the authorization in the other bill. It still requires the action of the two Houses.

Of course, in passing I may say that I suppose the conferees, in putting this language in, had in mind that this very amount was allocated to Mr. Ford in the Ford bill for the purpose of enabling him to produce power—steam power, it is true—to make up for what was lost in the sale of the Gorgas plant.

The main contention I make is that it is not an appropriation. Although it says "the appropriation," it merely refers to it as an appropriation made in the Ford bill. It is strictly an authorization, the language being "is authorized." There is an authorization in the bill which passed the Senate, and to name a smaller sum than the amount necessary for the construction of this plant, or to name any sum as "authorized," makes no change in the authorization for building Dam No. 3. If I recall rightly, I think that covers all the points which have up to this time been made by the Senator from Nebraska. In conclusion I merely wish to say that, of course, if the Chair construes the language "new matter" to mean any matter that was not in the bill before, then there is new matter in this report; but if the Chair construes "new matter" to mean matter that was not in dispute, matter extraneous to the subject matter which went to conference, matter that is not germane, then I do not think the point of order applies to these questions at all. All the issues here were involved in the question which went to conference.

The PRESIDENT pro tempore. The Chair desires to ask the Senator from Alabama a question upon the second section in the conference report. It is to strike out next to the last paragraph of section 2, all after the period, and to add the following:

but any lease hereunder and all contracts for power sold under said lease shall contain the proviso that the power may be recalled by the United States if and when needed in the prospect or event of war without payment of or liability for damages to consumers or others so deprived of said power, and no contract or lease shall be valid which does not include this proviso.

Mr. SMITH. From what page is the Chair reading?

The PRESIDENT pro tempore. The Chair is reading from the report of the managers on the part of the House.

Mr. SMITH. What section?

The PRESIDENT pro tempore. It is section 2. The Chair is simply using it as an illustration, and asks whether there is any provision in either the original House bill or the bill as it passed the Senate comparable with the amendment just read by the Chair.

Mr. UNDERWOOD. Yes, Mr. President; I think if the Chair will analyze it he will see that section 2 is in the bills. In the first place, there is a dedication of all this property for the production of nitrogen for national defense in time of war. What does section 2 provide? It reads:

That whenever, in the national defense, the United States shall require all or any part of the operating facilities and properties or renewals and additions thereto described and enumerated in the foregoing paragraph of this act for the production of materials necessary in the manufacture of explosives or other war materials, then the United States shall have the immediate right, upon five days' notice to any person or persons, corporation, or agent in possession of, controlling, or operating said property under any claim or title whatsoever, to take over and operate the same in whole or in part, together with the use of all patented processes which the United States may need in the operation.

That was the language in the bill as it passed the Senate, and that is in the conference report, except that the question was raised as to how the Government was to take it over, what process was to be used.

The House conferees inserted what I have already read, but they say:

But any lease hereunder and all contracts for power sold under said lease shall contain the proviso that the power may be recalled by the United States if and when needed in the prospect or event of war, without payment of or liability for damages to consumers or others so deprived of said power, and no contract or lease shall be valid which does not include this proviso.

Mr. President, there is merely an enlargement of the provisions of section 2 in that provision. In writing this bill I did not put in such a provision, because I had in mind that we were not making a contract, that we were authorizing the President of the United States to make a contract, and I assumed that when he came to make the contract under section 2 providing for the taking over of this property on five days' notice, he would include in the contract the terms on which the lessee should surrender the property. But when it went to conference the conferees rejected that section, with all the other sections of the bill. Then they merely added to the provision about the taking over of the dam these terms as to how it shall be taken over, which could have been put in the contract by the President.

The PRESIDENT pro tempore. It is new legislation, is it not?

Mr. UNDERWOOD. I think not. I do not think it is new legislation in the sense that it carries us into a matter that was not in dispute between the two Houses.

The House disagreed to section 2, and then when the bill went to conference the conferees agreed to section 2, which the House had thrown out of the bill, but they agreed to it with a proviso, which related to the same subject matter, because they said, after agreeing to section 2 of the bill as it passed the Senate—

but any lease hereunder and all contracts for power sold under said lease shall contain the proviso that the power may be recalled by the United States if and when needed in the prospect or event of war, without payment of or liability for damages to consumers or others so deprived of said power, and no contract or lease shall be valid which does not include this proviso—

which we have just read.

That is merely a continuing of the same paragraph of the same subject matter, an enlargement of the same subject matter that was in the bill in section 2.

Mr. SMITH. Mr. President, I desire to ask the Senator a question. Is it not a fact that the paragraph to which the Chair called attention is an entirely new thought, an entirely new piece of legislation, inserted to protect the Government against any liability for seizing and using this property while under lease? It did not appear in either the House provision or the Senate provision. It is clearly and distinctly new matter, to protect the Government, along the line of the draft system, about which so much has been said.

Mr. UNDERWOOD. Mr. President, I would like to let the Senator go further, but the clock admonishes me that I have only a minute in which to answer him.

Mr. SMITH. We will have plenty of time to discuss this question. I shall take the floor in my own time and discuss this and other features of the report.

Mr. KENDRICK. Mr. President, may I interrupt the Senator?

Mr. UNDERWOOD. Certainly.

Mr. KENDRICK. Has the Senator any doubt whatsoever about the intent and purpose of the original provision as to the recovery of this property in case of war?

Mr. UNDERWOOD. None whatever.

Mr. KENDRICK. Has the Senator any doubt whatsoever about there being a complication injected in case this provision were not included to recover the power that had been sold by the lessee?

Mr. UNDERWOOD. None whatever. In conclusion, I contend that the language in this paragraph which is added is merely a change of phraseology in reference to the recapture of this property in the event of war; that it does not change the substance or the purpose of the act, which gave the Government the right to reclaim it on five days' notice. It is a mere change of phraseology, stating how the action should be taken.

The PRESIDENT pro tempore. What the Chair had in mind was that it gives the Government the right to retake the property without payment for damages or for losses which may be sustained by the lessee.

Mr. UNDERWOOD. That is already provided for in the bill. There is no provision for payment in section 2. There is no change in that.

Mr. HARRISON. Mr. President, is the Chair ready to rule on the point of order?

The PRESIDENT pro tempore. No; the Chair has not ruled upon it, and has not made up his mind in regard to it.

Mr. HARRISON. I am very glad to hear the Chair make that statement.

Mr. CURTIS. Mr. President, I desire to submit a unanimous-consent agreement. I ask unanimous consent that when the Senate closes its business to-night it take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The hour of 5 o'clock having arrived, under the unanimous-consent agreement heretofore entered into, the Senate will take a recess until 8 o'clock.

Thereupon (at 5 o'clock p. m.) the Senate took a recess until 8 o'clock p. m.

EVENING SESSION

The Senate reassembled at 8 o'clock p. m., on the expiration of the recess.

ENDOWMENT OF AGRICULTURAL EXPERIMENT STATIONS

The PRESIDENT pro tempore. In pursuance of the unanimous-consent agreement, the Chair lays before the Senate the first bill on the list, House bill 157.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 157) to authorize the more complete endowment of agricultural experiment stations, and for other purposes, which was read, as follows:

Be it enacted, etc., That for the more complete endowment and maintenance of agricultural experiment stations now established, or which may hereafter be established, in accordance with the act of Congress approved March 2, 1887, there is hereby authorized to be appropriated, in addition to the amounts now received by such agricultural experiment stations, the sum of \$20,000 for the fiscal year ending June 30, 1926; \$30,000 for the fiscal year ending June 30, 1927; \$40,000 for the fiscal year ending June 30, 1928; \$50,000 for the fiscal year ending June 30, 1929; \$60,000 for the fiscal year ending June 30, 1930; and \$60,000 for each fiscal year thereafter, to be paid to each State and Territory; and the Secretary of Agriculture shall include the additional sums above authorized to be appropriated in the annual estimates of the Department of Agriculture, or in a separate estimate, as he may deem best. The funds appropriated pursuant to this act shall be applied only to paying the necessary expenses of conducting investigations or making experiments bearing directly on the production, manufacture, preparation, use, distribution, and marketing of agricultural products, and including such scientific researches as have for their purpose the establishment and maintenance of a permanent and efficient agricultural industry, and such economic and sociological investigations as have for their purpose the development and improvement of the rural home and rural life, and for printing and disseminating the results of said researches.

Sec. 2. That the sums hereby authorized to be appropriated to the States and Territories for the further endowment and support of agricultural experiment stations shall be annually paid in equal quarterly payments on the 1st day of January, April, July, and October of each year by the Secretary of the Treasury upon a warrant of the Secretary of Agriculture out of the Treasury of the United States, to the treasurer or other officer duly appointed by the governing

boards of such agricultural experiment stations to receive the same, and such officers shall be required to report to the Secretary of Agriculture on or before the 1st day of September of each year a detailed statement of the amount so received and of its disbursement on schedules prescribed by the Secretary of Agriculture. The grants of money authorized by this act are made subject to legislative assent of the several States and Territories to the purpose of said grants: *Provided*, That payment of such installments of the appropriation herein authorized to be made as shall become due to any State or Territory before the adjournment of the regular session of the legislature meeting next after the passage of this act shall be made upon the assent of the governor thereof duly certified to the Secretary of the Treasury.

SEC. 3. That if any portion of the moneys received by the designated officer of any State or Territory for the further and more complete endowment, support, and maintenance of agricultural experiment stations as provided in this act shall by any action or contingency be diminished or lost or be misapplied, it shall be replaced by said State or Territory to which it belongs, and until so replaced no subsequent appropriation shall be apportioned or paid to such State or Territory, and no portion of said moneys exceeding 10 per cent of each annual appropriation shall be applied directly or indirectly, under any pretense whatever, to the purchase, erection, preservation, or repair of any building or buildings or to the purchase or rental of land. It shall be the duty of each of the said stations annually, on or before the 1st day of February, to make to the governor of the State or Territory in which it is located a full and detailed report of its operations, including a statement of receipts and expenditures for the fiscal year next preceding, a copy of which report shall be sent to each of the said stations and the Secretary of Agriculture and to the Secretary of the Treasury of the United States.

SEC. 4. That on or before the 1st day of July in each year after the passage of this act the Secretary of Agriculture shall ascertain and certify to the Secretary of the Treasury as to each State and Territory whether it is complying with the provisions of this act and is entitled to receive its share of the annual appropriations for agricultural experiment stations under this act and the amount which thereupon each is entitled, respectively, to receive. If the Secretary of Agriculture shall withhold from any State or Territory a certificate of its appropriation, the facts and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the close of the next Congress in order that the State or Territory may, if it shall so desire, appeal to Congress from the determination of the Secretary of Agriculture. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury. The Secretary of Agriculture is hereby charged with the proper administration of this law.

SEC. 5. That the Secretary of Agriculture shall make an annual report to Congress on the receipts and expenditures and work of the agricultural experiment stations in all of the States and Territories and also whether the appropriation of any State or Territory has been withheld; and if so, the reason therefor.

SEC. 6. That Congress may at any time amend, suspend, or repeal any and all of the provisions of this act.

Mr. ROBINSON. Mr. President, it has been suggested that it would be well for the Senator in charge of the bill to make a brief explanation of its provisions and purposes.

Mr. LADD. Mr. President, the measure is not a new one. It is not intended as an emergency measure. The bill was introduced in the Sixty-seventh Congress and again in the Sixty-eighth Congress. It had the approval of the Secretary of Agriculture in the Sixty-seventh Congress and Sixty-eighth Congress, but it did not have the approval at that time of the Director of the Budget.

The President's agricultural conference which met in Washington indorsed the measure in the following language:

The conference therefore recommends the passage of H. R. 157, to authorize Congress to provide increased Federal aid for research in agricultural economics, rural sociology, and home economics at the State agricultural experiment stations.

The appropriation is made direct to the State and by the State authorized to be expended by the experiment stations of the State, after which the money goes to the respective experiment stations.

There has been no increased appropriation from the Federal Government to the States for experimentation work in the past 13 years, and the amount of funds available from the Federal authorities is altogether too small at the present time to enable the experiment stations even to carry on the lines of research—and this is wholly research work—which had been undertaken even previous to the war and before the depreciated value of the currency.

This is an attempt to enable the experiment stations to make a special study of research in marketing and economics in rural sociology and home economics. It is purely a research

proposition, thus enabling the stations and the people of the States to secure the necessary information on which to base an improved condition for the marketing and for the rural life of the people of the various States.

Mr. ROBINSON. What is the approximate aggregate additional cost to the Federal Government?

Mr. LADD. When it reaches its maximum it will be \$60,000 per year for each State and each Territory. It starts at \$20,000 a year and increases during the five years until it reaches the maximum of \$60,000 a year. The amount recommended by the President's agricultural conference is somewhat less than that contained in the original bill, but the bill was then amended in the House to conform to the recommendations of the President's agricultural conference, and has the President's indorsement, as noted by the report which the President made at the time the conference report was submitted to Congress.

Mr. ROBINSON. The Senator has stated that there are new spheres of research to be entered upon. If the bill is enacted into law what are the contemplated new spheres of research?

Mr. LADD. The new spheres of research are largely in marketing, in home economics, in sociology, and in rural life. The great problem to-day is that of assisting the farmers in gathering a fund of information that will enable them to better understand the marketing problems and to deal with foreign markets.

Mr. FLETCHER. Mr. President, may I inquire of the Senator when he expects an appropriation to be made under the bill? The bill is apparently merely an authorization.

Mr. LADD. While the bill is merely an authorization, it was expected that an appropriation would be made this year, but the bill is now a year old. It reads: "For the year 1926." If an appropriation were made for this year, it would have to be included in the deficiency appropriation bill or a separate appropriation bill on the recommendation of the Secretary of Agriculture.

Mr. FLETCHER. The first appropriation is for \$20,000 for the year ending June 30, 1926. In order to accomplish that, it would have to come in a deficiency appropriation bill.

Mr. LADD. I think the money should be supplied through a deficiency appropriation bill before the close of the present session.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole, and open to amendment. If there be no amendment, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RETIREMENT OF CIVIL SERVICE EMPLOYEES

The PRESIDENT pro tempore. The Chair lays before the Senate, in accordance with the unanimous-consent agreement, Senate bill 3011.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, which had been reported from the Committee on Civil Service with amendments.

The first amendment of the Committee on Civil Service was, in section 1, on page 2, line 2, before "years," to strike out "sixty" and insert "sixty-three," so as to read:

SECTION 1. That, beginning on the first day of the fourth month next following the passage of this act, all employees in the civil service of the United States to whom this act applies who shall have attained or shall thereafter attain the age of 63 years, or being employed as mechanics, laborers, city and rural letter carriers, post-office clerks, and railway postal clerks, etc.

Mr. SMOOT. Mr. President, may I ask the Senator reporting the bill if it would not be well for him to make a statement now on the bill.

Mr. STANFIELD. I would like to make a statement.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. STERLING. Mr. President, the Senator from Oregon, in behalf of the Committee on Civil Service, desires to make a statement as to the purposes of the bill. That is in compliance with the request of the Senator from Utah.

Mr. ROBINSON. I ask the Senator from Oregon whether a written report accompanies the bill?

Mr. STANFIELD. There is no written report. The committee held a meeting to-day, but too late to make a report of the amendments that we intend to propose and to have them printed.

Mr. ROBINSON. I asked if a printed report accompanied the bill? It has been on the calendar for some time.

Mr. STANFIELD. Yes; there is a report.

Mr. ROBINSON. I have been unable to learn about it. Let the Senator proceed with his statement.

Mr. SMOOT. The report to which the Senator from Arkansas refers is the House report on the bill, is it not?

Mr. STANFIELD. There is a report of the actuaries on the bill, and a report accompanying the House bill.

Mr. SMOOT. The Senator from Arkansas [Mr. ROBINSON] was inquiring as to whether there was a Senate committee report on the bill. There is no Senate committee report on the bill.

The PRESIDENT pro tempore. The Chair is advised that there is no printed report from the Senate committee accompanying the bill.

Mr. WARREN. Mr. President, let me ask if the Senator in charge of the bill will not explain the bill to the Senate, as there is no report accompanying it? I shall be glad to have him state what the bill with the amendments which are now proposed by the committee is expected to accomplish.

Mr. ROBINSON. I call for the reading of the bill, Mr. President.

The PRESIDENT pro tempore. The Secretary will read the bill.

The reading clerk proceeded to read the bill.

Mr. ROBINSON. Mr. President, under present conditions it is impossible to hear the reading of the bill, although I have been doing my best to try to hear it.

Mr. STERLING. Mr. President, will the Senator permit me to interrupt him?

Mr. ROBINSON. I yield to the Senator from South Dakota.

Mr. STERLING. I do not understand that the Secretary is reading the bill which is now before the Senate. I think the Secretary is reading the original civil service retirement act rather than the pending bill.

Mr. ROBINSON. I think it would be a good thing to have the bill which is before the Senate read.

The PRESIDENT pro tempore. The Secretary advises the Chair that he is reading the bill as it was reported by the committee, but is not reading the amendments which have been proposed by the committee.

Mr. STERLING. At what point did the Secretary resume the reading of the bill?

The PRESIDENT pro tempore. The Secretary had read to the top of page 3. Does the Senate desire the entire bill read?

Mr. SMOOT. Yes.

The PRESIDENT pro tempore. The Chair desires some understanding about the matter. The bill has been twice read, and this is the third reading of the bill.

Mr. SMITH. Mr. President—

Mr. ROBINSON. If any Senator present knows what the bill contains I should be glad to have him make a statement respecting the provisions of the bill. If that shall not be done I shall insist upon the bill being read.

Mr. STANFIELD. Mr. President, if I may be given the floor I shall be very glad to attempt to explain what the bill purports to do.

Mr. ROBINSON. Very well.

Mr. SIMMONS. I hope the Senator from Oregon will proceed and let us have the benefit of his statement.

The PRESIDENT pro tempore. The Senator from Oregon is recognized.

Mr. STANFIELD. Mr. President, the pending bill is an amendment to the civil service retirement act of May 22, 1920. The law provides for a maximum annuity to employees in the civil service of \$720 a year. The pending bill proposes to increase the annuity from \$720 to \$1,200 a year. It also provides optional retirement after 30 years of service at the age of 58 in the case of laborers and mechanics, city and rural carriers, postal clerks, and railway postal clerks.

The normal cost of the bill—

Mr. STERLING. Let me suggest to the Senator that the age of retirement for civil-service employees generally outside of the classifications he has named is 63 years.

Mr. STANFIELD. I had intended to make that statement. The age of retirement is 63 years outside of those employees who are laborers, mechanics, and postal clerks and carriers, and railway postal clerks.

The normal cost of this bill will be 6.98 per cent of the pay roll, of which the employees will contribute 3½ per cent and the Government will contribute 2.87 per cent. The total cost, which includes the liability of the Government for the retirement of employees as of 1920, previous to which time the employees had not contributed, and the expense of which must necessarily fall upon the Government and enter into the actual

cost of retirement, will be 9.91 per cent of the pay roll, and the Government will pay 5.58 per cent of the cost as against the employees' contribution of 3.5 per cent.

Senators will keep in mind the fact that the Government, so far as the extension or the cost from 1920 on is concerned, will only contribute 2.87 per cent as against the employees' 3.5 per cent.

Mr. SMITH. Mr. President, may I ask the Senator from Oregon, right there, is there not an accumulated fund now arising from the percentage that has been deducted from the pay of employees?

Mr. STANFIELD. I was just going to refer to that. There is at the present time about \$37,000,000 in the Treasury which belongs to the employees, it being the money which they have contributed. The reason for that large impoundment is that during the time of the World War a great many new employees were added to the Government pay roll who contributed to this fund, so that the contributions of the employees are far in excess of the immediate demands of the fund; but the actuaries estimate that in 1940, or about 15 years from now, there will be a deficiency in this fund. Then it will be necessary for the Government to make appropriations to meet the requirements of the retirement law. It is obvious that it is not necessary at this time for the Government to contribute to the fund, because the contributions of the employees are sufficient to meet all of the demands on the fund; but ultimately, the actuaries say within, perhaps, 25 or 30 years, if the Government should not contribute at all there would be a deficiency of between \$250,000,000 and \$280,000,000, and possibly by 1940 the Government will have to begin to make up the deficiency.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Utah?

Mr. STANFIELD. Yes.

Mr. KING. I did not quite understand the last suggestion of the Senator, but, as I understood him, there will be a deficiency which will call for an appropriation of from \$200,000,000 to \$250,000,000 out of the Treasury of the United States?

Mr. STANFIELD. If the Government does not set aside a regular appropriation from year to year or decide upon some amortization plan, and if they wait until the contributions of the employees have been used up, then there will be a deficiency which it will be compelled to meet.

Mr. KING. Then it is not true, as represented by some of the proponents of this proposed legislation outside of the Chamber, if not in the Chamber, that the beneficiaries of this retirement system are paying and will pay all that is required to be expended; but, upon the contrary, within the next few years from \$200,000,000 to \$250,000,000 will be required out of the Treasury of the United States.

Mr. STANFIELD. The latter statement of the Senator is correct, as well as his former statement. There is a misconception on the part of some people, by reason of the accumulation of the fund which has resulted from the contributions of employees, that they are paying all of the cost. That can not be true. However, there can be only an estimate of what the deficiency may be and what the Government may have ultimately to pay.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Utah?

Mr. STANFIELD. Yes.

Mr. SMOOT. This is about the picture of this bill: If the bill shall pass, it will require an appropriation of about 6 per cent of the amount of salaries paid each year, and of that 6 per cent the employees will pay 3½ per cent and the Government will pay 2½ per cent.

Mr. STANFIELD. That is on the normal cost.

Mr. SMOOT. That is on the normal cost. That is about the picture of the bill. The Senator from Oregon is perfectly correct in stating that at no time will the payments of the employees be equal to the annuities which they will receive after the passage of the bill. I wish to be perfectly fair and say that so far as I am personally concerned I am willing that the Government should stand some of the expense, but I do not want any impression to go out, such as the press of Washington has been trying to put in the minds of the employees and also in the minds of the public generally, that the money to defray the expense of this bill belongs to the employees and that it will not cost the Government a cent, for that is not true.

Mr. SMITH. Mr. President—

Mr. STANFIELD. Just a moment. Let me ask the Senator from Utah to what money he refers. Does he refer to the money that is now in the fund?

Mr. SMOOT. The money that is now in the fund belongs to the employees, who will draw that money in 20 or 25 years from now, or 10 years from now, whenever the time may come.

Mr. STANFIELD. The Government ultimately must match the contribution of the employees.

Mr. SMOOT. There is no doubt about that, and we want that understood by the employees.

Mr. STANFIELD. I hope there will not be any misunderstanding about that.

Mr. SMOOT. The Senator from Oregon is perfectly right. I have received letters from all over the United States saying, "The employees pay all of this, why do you not let them have it?" That is not a true statement, Senators, as the Senator from Oregon has shown.

Mr. SMITH. Mr. President, I think the statement of the Senator from Oregon a moment ago may be somewhat misleading. There is an accumulated fund now approximating \$40,000,000.

Mr. STANFIELD. It amounts to about \$37,000,000.

Mr. SMITH. Well, \$37,000,000—I said approximating \$40,000,000. That will go on as a matter of course, and the payments to retired employees will be deducted from it. This plan is exactly on the principle of mutual life insurance. Have the actuaries worked out, if the present ratio of retirements shall continue, how much the Government will have to pay out each year over the period for which the actuaries have calculated the probabilities?

Mr. STANFIELD. They have worked it out exactly on a percentage basis of the pay roll, of course, for that is the only way they can work it out. They can not work it out in round sums of dollars and cents, because the pay roll is constantly changing, but they have worked out what the proportion would be if the percentage under this bill is adopted. Then it will be necessary for the Government to contribute 2.87 per cent to offset the employees' contribution of $3\frac{1}{2}$ per cent. Mind you, that is normal cost. Many people are confused as to the cost of this plan, because they overlook the fact that when the act of May 2, 1920, was passed there was a deficiency, for prior thereto the employees had never contributed anything, and that deficiency ultimately must be paid by the Government. That increases the total actual cost to 9.91 per cent, of which the Government will pay 5.58 per cent, but that is because of the absorption of the accumulated liability by reason of the passage of the act of 1920, prior to which the employees had never contributed.

Mr. SMITH. All right. Now, my point is this: There is an accumulated fund now. If the average retirement goes on and the Government contributes $2\frac{1}{2}$ per cent and the employees $3\frac{1}{2}$ per cent, will that take care of the normal retirements continuously?

Mr. STANFIELD. Approximately. The actual figures, as given by the actuaries, are 2.87 per cent on the part of the Government, and, instead of $2\frac{1}{2}$ per cent, $3\frac{1}{2}$ per cent on the part of the employees.

Mr. SMITH. Very well. Based upon the present number, how much would that 2.87 per cent call for in actual contributions from the Treasury?

Mr. STANFIELD. The Senator means in dollars?

Mr. SMITH. Yes. I want to know how much each year the Government will have to contribute, under the law of probabilities that the actuaries have worked out, as to the number that will retire.

Mr. STANFIELD. The Senator means in dollars, not in percentages?

Mr. SMITH. Yes; in dollars.

Mr. STANFIELD. Twenty-four million eighty-seven thousand six hundred and four dollars annually.

Mr. SMITH. How much, then, would the employees contribute?

Mr. STANFIELD. The figures that I gave the Senator are based on the total cost which takes care of the liability. The Senator wants the figures under the normal cost?

Mr. SMITH. The employees contribute $3\frac{1}{2}$ per cent, and the Government how much?

Mr. STANFIELD. The Government contributes 2.87 per cent.

Mr. SMITH. Now, will the Senator figure out how much annually the employees would contribute?

Mr. STANFIELD. The employees under that plan would contribute \$15,103,305 on the basis of the present pay roll. The Government would contribute \$12,401,294. That is based on the normal cost and the present pay roll.

Mr. SMITH. As I understand, on the basis of the percentage of retirement on the present pay roll, the Government would

pay about \$13,000,000 and the employees would contribute \$15,000,000, which amount would take care of the annual retirement?

Mr. STANFIELD. That is approximately correct.

Mr. SMITH. Very well. The Senator stated a moment ago that within a few years the Government would have to contribute \$200,000,000 to meet the retirement. Do not let us get that confused.

Mr. STANFIELD. I thank the Senator for drawing attention to that, although I must say that my statement was correct, for the Government has not contributed and is not contributing and will not contribute anything to this fund until the fund contributed by the employees is exhausted, for there is no reason why it should. That is why I say that after a period of 30 years the actuaries say that there will be a deficiency for the Government to meet—not 30 times \$12,000,000; it will be less than that, but probably between \$250,000,000 and \$280,000,000—but if the Government contributed each year, that deficiency would not accumulate. There is, however, no reason for its contributing each year.

Mr. SMITH. That is what I knew was entirely misleading to Senators.

Mr. STANFIELD. I thank the Senator for his inquiry.

Mr. FLETCHER. Mr. President, may I inquire of the Senator when the Government will begin to pay this 5.58 per cent?

Mr. STANFIELD. There is no particular reason why it should begin to pay it until the contribution of the employees is exhausted. Of course, if we made an appropriation each year, and started out on an amortization proposition on the part of the Government, we would be appropriating now and should have appropriated last year and every year since 1920; but we are not doing that. There is no particular reason why we should, because this bill provides that all the money paid in by the employees is still their money. They have the right to quit and withdraw it, with 4 per cent interest compounded annually on the money. The Government is guaranteeing to them that interest return on this impounded fund which they have contributed. This bill says that the Government shall invest it in Government securities, but it does not say about what rate the Government securities shall bear. It has no relation to what the Government must pay to the employees. The bill simply says the Government must pay to the employees 4 per cent, compounded annually. It is really a savings account, so far as the employees are concerned.

Mr. FLETCHER. What I am getting at is this: The Senator says the time will come when the total payment toward that fund will be 9.91 per cent.

Mr. STANFIELD. That is the actual cost by reason of the liability under the act of 1920.

Mr. FLETCHER. Does the Senator mean that that will begin when this \$37,000,000 is exhausted?

Mr. STANFIELD. At some time the Government must pay it, and that undoubtedly will be when the employees' contribution fund is exhausted.

Mr. FLETCHER. Nine and ninety-one one-hundredths per cent of the pay roll will be the cost annually?

Mr. STANFIELD. Yes, sir.

Mr. FLETCHER. And the Government will pay 5.58 per cent of that?

Mr. STANFIELD. That is correct, according to the actuaries.

Mr. FLETCHER. But when does the Government pay this 2.87 per cent?

Mr. STANFIELD. I do not believe the Government will ever pay any of it until such time as the contribution of the employees is all exhausted, and it will be necessary to make appropriations to meet the demands of the employees and the needs of the annuitants.

Mr. WATSON. Mr. President, will the Government ever be required to pay more than 2.87 per cent of the present pay roll?

Mr. STANFIELD. According to the actuaries, no; that is the most they will ever pay, based on the normal cost.

Mr. SMOOT. Mr. President, I will say to the Senator that that comes about in this way: We can not tell exactly when this will occur. I can tell the Senator about the case of an employee who came to my office here some time ago. A lady came into the office and complained very bitterly of the small amount she was receiving as an annuity, only \$720 a year. She said that she could not live on it; that she had worked in the department for 30 years, and had retired, and was drawing that annuity. She said that Congress had no right whatever to keep that money away from her; that it was hers; that she had paid for it. I asked her how much she had paid before

she retired, and I found after an investigation that she had paid \$3.67 into the fund, and she was drawing \$720 a year.

Somebody has to pay for that. The employees, under this plan, will pay about 3½ per cent and the Government will pay 2.87 per cent of the money that is being paid to her. Under this bill, the amount deducted from the salaries of the employees is increased from 2½ per cent to 3½ per cent. In other words, there is an increase of payment of 40 per cent, but the increase of the annuity is from \$720 to \$1,200, or over 60 per cent.

Not only that, but the great loss under the bill we are now considering will come about from the fact that the age limit has been reduced from 70 years in most cases down to 63 years. In other words, the fund that is impounded here to pay for this retirement is paid in seven years' less time than most of them are paying now. The bill we thought we were going to pass provided for a straight 63 years, but there will be an amendment offered to that.

Mr. BURSUM. Mr. President, the fund that is accumulated now, I understand, is some \$37,000,000 or \$38,000,000. Where was it derived from?

Mr. SMOOT. From the employees.

Mr. BURSUM. Altogether.

Mr. SMOOT. Certainly. I will say to the Senator that that is very natural, because whenever a retirement act is put into operation, whether it be with a corporation or with the Government—I do not care where it is—at first the payments go into the fund, and there are very, very few retirements. It takes about 20 years, as the Senator has already stated, before the act itself gets into real working order so that we will know just exactly what the payments on the part of the Government and the payments on the part of the employees will be.

Mr. COPELAND. Mr. President, let me ask the Senator a question. Is there not a large surplus now?

Mr. SMOOT. There is around \$40,000,000.

Mr. COPELAND. There is about \$40,000,000 in the fund now?

Mr. SMOOT. Yes.

Mr. COPELAND. How was that accumulated?

Mr. SMOOT. It was accumulated by the payment of the 2½ per cent that the employees pay.

Mr. COPELAND. I understood the Senator to say that if this bill is put into effect that will be rapidly dissipated.

Mr. SMOOT. Just as soon as the age limit begins to arrive under this bill; and then, when that time comes, the whole of the employees who are now in the service, as they reach 63 years of age, unless they separate themselves from the service before that time, must go out under this bill.

Mr. BURSUM. As the obligations mature they must be paid.

Mr. SMOOT. Certainly.

Mr. STANFIELD. The accumulation is large just now, because during the war the number of the Government's employees was tremendously increased. They are contributing now much more rapidly than they are drawing on the fund. Ultimately that condition will be reversed.

Mr. SMOOT. Just reversed.

Mr. STANFIELD. The actuaries estimate that in 1940 this reversal will occur.

Mr. SMOOT. I think near about that time; just about 15 or 20 years from now.

Mr. BURSUM. If the Government should contribute ten or twelve million dollars a year, would that cover all the obligations? If so, would it not be better to have annual appropriations than to wait until the time of maturity arrives?

Mr. SMOOT. No; I do not think it would.

Mr. STANFIELD. There is no particular reason why that should be done.

Mr. BURSUM. Yes; there is a good reason, because trust funds of this kind generally maintain themselves out of interest alone.

Mr. SMOOT. The \$10,000,000 would not do it, so there is no need of our deceiving ourselves.

Mr. BURSUM. How much does the Senator estimate would do it?

Mr. SMOOT. The number of employees of the Government is not going to be less in the future than it is to-day. Our experience has been that the number of employees increases as the activities of the Government increase. When the employees first come in they begin to pay into the fund. They draw nothing, perhaps, for 30 years. The amount could not be less than \$15,000,000 if we began right now to pay every year, with interest at 4 per cent compounded annually. It would take at

least \$15,000,000 if we began from the very day the act was first passed, and that was impounded and drawing interest.

Mr. SMITH. Mr. President, that is not the testimony of the actuary. That goes on the assumption that the fund that has been accumulated now would be used to meet all the payments, the Government to pay nothing until it is exhausted.

Mr. SMOOT. Certainly.

Mr. SMITH. It would take 30 years to exhaust that fund. In the meantime that fund would be entirely exhausted if the employees only paid the 3 per cent; but if they were to pay in the same ratio that they are now paying, the Government, on the present basis, would never in any year from now on perpetually pay more than \$12,000,000. There it is. Anybody can figure it out.

Mr. STANFIELD. I think that is the actuary's estimate.

Mr. SMOOT. I take it for granted that that is based on the number of employees that are in the service to-day.

Mr. SMITH. Just a minute. If it is based on the number of employees to-day, the same ratio would continue.

The PRESIDENT pro tempore. The Chair will suggest that the debate had better go on in the regular order.

Mr. DIAL. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from South Carolina?

Mr. STANFIELD. Yes; I yield.

Mr. DIAL. Let me ask the Senator why there is a reduction in the age of retirement? Why was it necessary that there should be a reduction in the age at which the employees retire?

Mr. STANFIELD. That was for the purpose of bringing about an earlier retirement on account of efficiency in many of the offices.

Mr. DIAL. Does the Senator want to retire them when they are 58 years old?

Mr. STANFIELD. That is for laborers and mechanics, railway mail clerks, and postal employees. For others, the age is 63.

Mr. SMOOT. Mr. President, if the Senator will yield just a moment, I want to say to the Senator that I have had a great many pathetic letters from employees of the Government; and I refer to our honored President pro tempore, because he was the chairman of the first Committee on Civil Service that reported into this body a retirement bill. He was a member of the committee at the time when the age was made 70 years, under existing law. There was added to it a provision that they could extend that time two years, and two years, and so on.

The most pathetic letters I have received were those from employees who think they should not be retired even at 70 years of age. The same thing applies to-day which applied when the bill was first passed. We extended the time because of a thing which every Senator knew at that time, and which I know every Senator knows now, that there are men in the departments here over 70 years of age to-day who are invaluable to the Government. Take the Land Office, for instance. When this bill becomes a law the separation will take men out of that office who know the office from top to bottom. You can telephone to them for information, and they will give you offhand information which you can depend upon. We recognize that fact; but if we are to have a retirement law, it must apply to all alike; or it should.

Mr. GLASS. We do not want them to die before they retire.

Mr. SMOOT. No.

Mr. STANFIELD. The Senator from Utah is thinking and talking about the man who works in an office. He is not talking about the mail carrier who carries a mail sack, who at 58 years of age is an old man. Of course, he will probably want to go on, but if we pass the postal salary increase bill the Government will be paying him \$2,100 a year, and he will perhaps be delivering 50 or 60 per cent in efficiency. The Government had better retire him and pay him his \$1,200 a year annuity, and put a young man in his position. They will save money by doing so.

Speaking of 58 years and 63 years being the ages of retirement, I would call the Senate's attention to the fact that that is after 30 years of service. Otherwise than that the age is 70 years. They must be 70 years of age before they can retire. The involuntary retirement is at 70 years of age, the optional at 58 for mechanics, laborers, railway mail clerks, and postal employees. For others it is 63; but that is after 30 years of service. Otherwise they would not be retired until they were 70 years of age. There must be an involuntary retirement period.

Mr. KING. Mr. President, will the Senator yield?

Mr. STANFIELD. Yes.

Mr. KING. I may be in error, but as I read the provisions on page 2 I find them at variance with the statement just made by the Senator. The bill reads:

Provided, That mechanics, laborers, city and rural letter carriers, and post-office clerks shall be eligible for retirement at 65 years of age, and railway postal clerks at 62 years of age, if said mechanics, laborers, city and rural letter carriers, post-office clerks and railway postal clerks shall have rendered at least 15 years of service.

Mr. STANFIELD. Just let me interrupt to save time. The Senator should have started at the top of page 2 instead of at the second paragraph. The second paragraph provides for the involuntary retirement, whereas I was referring to the optional retirement. If the Senator will begin at the top of page 2, he will find that.

Mr. KING. I was familiar with that, and had read it, but I thought the impression would be gained—

Mr. STANFIELD. I was speaking of optional retirement. The involuntary retirement occurs at 70 years of age for all employees excepting laborers, mechanics, and so forth, and for them it occurs at 65 and 62 for the railway mail clerks.

Mr. KING. I thought the Senator's statement would leave the wrong impression.

Mr. DIAL. Mr. President, I happen to know a man, one of my constituents, who was in the service for over 30 years and who was forced out a few years ago. He told me he had not lost a day in all the time of his employment and had not been sick a day. He is getting compensation of only \$720 a year, and wanted to go on in the service when he was retired. I took his case up with the department and did the best I could, but he was over the age limit and they would not keep him and let him work. He protested most vigorously.

Mr. STANFIELD. I think the Senator is quite right about that. There are very few of them, in my opinion, who will ever want to take advantage of the optional retirement clause, because it is natural that they do not believe they are growing old. As the Senator knows very well, as he and I grow old, we do not realize we are growing old and we want to go on and on and on.

Mr. DIAL. We are not growing old. We are getting younger.

Mr. STANFIELD. There are very few who will ever take advantage of the optional retirement clause. However, at 70 years of age, under this bill, they would be retired involuntarily.

Mr. COPELAND. Mr. President, if I understand this correctly, retirement is possible at the age of 63, provided the employee has rendered 30 years of service?

Mr. STANFIELD. That is correct.

Mr. COPELAND. That is, a voluntary retirement?

Mr. STANFIELD. That is voluntary; that is optional.

Mr. COPELAND. Then there is an obligatory retirement for all persons reaching the age of 70?

Mr. STANFIELD. Yes.

Mr. COPELAND. Regardless of the number of years they may have been in the service?

Mr. STANFIELD. They must have been in the service 15 years or more.

Mr. COPELAND. Suppose they have been in the service 10 years?

Mr. STANFIELD. Then they would not come under the act.

Mr. COPELAND. Would they be obliged to retire at 70?

Mr. STERLING. They are entitled to no annuity.

Mr. COPELAND. Are they obliged to retire?

Mr. STERLING. A man must have served for 15 years before any annuity can be paid him.

Mr. COPELAND. What provision is made for them?

Mr. STANFIELD. They get back the money they have paid into the fund with 4 per cent compound interest. It acts as a savings account.

Mr. FLETCHER. Why not proceed now to read the bill for committee amendments first, without reading it all through?

Mr. KING. Let it be read. We want it read.

Mr. STANFIELD. I think the provisions of the bill have been fairly well covered. There are some administrative features in it which I do not feel at this time need any particular explanation, because they have been recommended by the departments, in the main, and I am sure are such provisions as should be made for administrative purposes.

Mr. President, I think it would be well for us to proceed with the reading of the bill for the purpose of making amendments. There are some committee amendments to be acted on.

Mr. STERLING. Mr. President, before the reading of the bill is proceeded with I would like to call attention to just one

feature, and very briefly. The Senator from Oregon has just stated that the benefits of the bill have been spoken of in the course of this quite general discussion. They have, in large part, but there is one benefit which I think has not been mentioned or considered for a moment, and it is worth while considering.

I think, in the end, through the operation of this bill, or of any retirement bill based on the same principle, there is a saving to the Government. It has been represented, of course, that it will cost the Government so much at the end of 15 or at the end of 20 years. I grant that, and that the accumulated fund is a trust fund for all the employees of the Government, and must be so treated and considered. But the Government is saving all the time by retiring the superannuated and inefficient, or partly inefficient, employees.

The Government actuary made quite a statement at length, which I think has been printed somewhere and is among the papers, although I have not seen it; but I just quote a little excerpt from the report of the Civil Service Commission in that regard, and as I remember the statement—I read it a good while ago—this is a true summary of the actuary's report:

Mr. Joseph S. McCoy, Government actuary, in a recent statement said that the Government saves in salaries an average of over \$600 per year on every employee who has been retired. That before retirement these employees cost the Government more than \$15,000,000, for which it received some \$3,000,000 or \$4,000,000 worth of service, and that after retirement the annual cost, as long as they live, is about \$7,000,000, or less than half as much as they were paid in salary.

That statement should be remembered when we consider what the Government will have to pay out.

Let me say this, in addition—

Mr. KING. Mr. President—

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Utah?

Mr. STERLING. I yield.

Mr. KING. The statement of Mr. McCoy—and I suppose the Senator vouches for it or indorses it?

Mr. STERLING. I do indorse the statement of the actuary, who has been the actuary here in the Senate on many important matters in connection with every tariff bill and every tax bill. He has been the actuary representing the committee here on the floor of the Senate.

Mr. KING. His statement contemplates that those persons coming within the category to which he just referred render only 50 per cent of service, or less, to the Government for the salaries which they draw.

That is the saving to which the Senator refers. They are paid more than \$2,100, but do approximately \$1,000 worth of work.

Mr. STERLING. That is largely true.

Mr. KING. I challenge the accuracy of Mr. McCoy's statement. I do not think that indictment of the employees of the Government is justified.

Mr. STERLING. Before any retirement law was enacted at all there were those in the service who were 80 years of age or over. There were those in the service who had to be helped to their places at their desks, and after they were at their desks they were unable to perform any real service, but out of charity, out of consideration for their poor circumstances, heads of departments, divisions, and bureaus kept them there, and kept them on the pay rolls. They were, in fact, pensioners of the Government at the time, and the salaries paid them are saved to the Government through its getting younger employees, who will perform the services called for by the positions.

Mr. COPELAND. Mr. President, is there not another point to that, that where the employee has been with the Government, we will say for 30 years, and through promotions has reached a certain salary, when he is retired, his place is likely to be taken by somebody at a much smaller rate than he was paid. Is not that true?

Mr. STERLING. That is true, too.

Mr. COPELAND. That makes a very considerable sum, does it not?

Mr. STERLING. One entering the service of course enters, as a rule, in a low grade, or takes the lowest salary which is provided for in his grade, there being a number of different salaries provided for in the different grades.

Mr. SMOOT. Mr. President—

Mr. STERLING. I yield to the Senator from Utah.

Mr. SMOOT. The same position is filled by somebody else drawing the same salary that was drawn by the man who re-

tired, and the employees move up, generally, although sometimes they do not; so that not a dollar is saved.

I think it is only fair to say, and the Senate of the United States knows it, that when we were paying the old soldiers, referred to by the Senator, those who were helped to their chairs in the offices, we all knew they were not doing the work, and were not counted on to do the work. The Senator must admit this, that that situation was brought before us time and time again in connection with appropriation bills. There were attempts to put in every one of the appropriation bills provisions that a certain number of employees, old soldiers in the Pension Office, for instance, when the number of employees was decreased, should be decreased 25 per cent every year. The Senate would not vote for it.

Mr. STERLING. Mr. President, there were the old soldiers, of course, but there were many old people besides the old soldiers, women, as well as men, in the service.

Mr. SMOOT. There were very few. You would count them on your fingers, and I knew just where they were. But the old soldier was kept there, and everybody knew that he was kept there. We all voted that he should be kept there, and if I had it to do again I would vote the same way, whether they did any work or not, and that was understood by this body.

Mr. STANFIELD. Mr. President—
The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Oregon?

Mr. STERLING. I yield to the Senator.
Mr. STANFIELD. It would be more humane and more proper to give them a pension and let them retire than to keep them sitting at a desk drawing a salary which they did not earn.

Mr. SMOOT. Mr. President, will the Senator yield?
Mr. STERLING. I yield.

Mr. SMOOT. I spoke of that, Mr. President, because the statement was made as to the amount of work these people did and the amount that was gained by the Government. If we had not had a retirement law, that thing would be going on to-day, if there were any old soldiers left, and to count that as being a saving to the Government is not altogether fair, because it would not make a particle of difference whether we had a retirement law or not, those men would have been paid until they dropped dead.

Mr. STERLING. Whether the old soldiers constitute a factor in the problem or not, there are enough old people, as I said, men and women, too, from whose retirement there will be this great saving to the Government. It may have been that when the estimate was made by the actuary there were taken into account conditions as they were then and that the old soldier problem affected the result somewhat; but we all know what the conditions would have been if the old soldier had been entirely out of the problem. The charity, the tender feeling of the heads of the departments toward these aged employees who have served 30 or 40 and some of them 50 years in the Government service, and who are now practically penniless, would have appealed to them and they would have kept them on the pay roll until they had passed away or until the time a law was enacted.

Another feature is this: A retirement bill such as this will prove to be a splendid incentive to the younger employees of the Government, an added reason for more careful work, because they will see in the retirement of aged employees a chance for their promotion if they are efficient in their work.

I had the honor of having had charge of the first civil service retirement bill in the Senate, the present law, which gives a maximum of \$720. In order that the employees might get that much of an annuity upon their involuntary retirement from the service they must have had an average salary for 10 years of \$1,200, a basic annual salary of that much, and they must have served over 30 years in order to be entitled to that maximum retirement annuity of \$720. We were called upon for our estimate then as to what it would cost the Government, and the best estimate I could get, and I tried to be modest in it, was that there would be from \$8,000,000 to \$10,000,000 of surplus the very first year after the enactment of the retirement law of 1920. I said, furthermore, in the same connection that that surplus would greatly diminish until at the end of 15 years the Government would have to contribute something toward the payment of the annuities. But, Mr. President, the accumulated funds in the Treasury of the United States now, after this lapse of time, are nearly \$40,000,000, so we can afford, I think, to go on and pass the retirement bill that will give as a maximum annuity the sum

of \$1,200. It is nothing but just and right that we should do it. Under this bill the employee, who is now contributing 2½ per cent of his salary, under the present law will contribute 3½ per cent of his salary.

Mr. COPELAND. Mr. President, will the Senator yield?
The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from New York?

Mr. STERLING. I yield.
Mr. COPELAND. Suppose the Government did have to pay something?

Mr. STERLING. Certainly.
Mr. COPELAND. Is it not understood that we are keeping these employees at low salaries with the expectation that we are going to take care of them?

Mr. STERLING. We are keeping them at very moderate salaries. I think until the law of 1920 was passed we were the only civilized Government in the world that had not provided an annuity or retirement fund for its aged and superannuated employees. It was to the reproach of our great Government that we did not have such a law.

Mr. SMITH. Mr. President—
The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from South Carolina?

Mr. STERLING. I yield.
Mr. SMITH. What was the percentage of salary contributed under the law of 1920?

Mr. STERLING. Two and one-half per cent.
Mr. SMITH. And the amount paid upon the 70-year retirement—

Mr. STERLING. Seventy years was the involuntary retirement age for the general employee.

Mr. SMITH. That 2½ per cent upon that age of retirement at the amount of \$720 has left a surplus after four years of operation of \$37,000,000?

Mr. STERLING. That is correct.
Mr. SMITH. Now it is proposed to increase to 3½ per cent the salary contribution of the employee, and if the Government, according to the actuary, were to match that 3½ per cent with 2.87 per cent, this contribution would go on in the same ratio perpetually?

Mr. STERLING. Yes.
Mr. SMITH. But if the Government does not pay anything, and allows the accumulated \$40,000,000 to be exhausted by retirements under the modified age limit that is proposed, then at the end of about 12 or 15 years that accumulation will have been exhausted, and the Government, if it were to make possible the retirement on the same basis, would then have to pay the accumulated deficit of 2.87 per cent for 15 years.

Mr. STERLING. Yes.
Mr. SMITH. That is what misled Senators a moment ago when the Senator from Oregon [Mr. STANFIELD] said that at the end of 15 years the Government's share would be about \$200,000,000 a year. It is true, if the Government were to make up the deficit for 15 years, that it would cost for one year an appropriation of that much money, but the next year not more than \$20,000,000, because then we would have it on the basis of parity again.

Mr. STANFIELD. Mr. President—
The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Oregon?

Mr. STERLING. I yield.
Mr. STANFIELD. I want to reiterate what I believe was my former statement, and that is that if the Government does not contribute for 15 years they will have 15 times \$12,401,000 of deficiency to meet under the normal cost. Under the actual cost they will have 15 times \$24,087,000 to meet, or about \$360,000,000, after 15 years have gone by under the actual cost to take care of the deficiency that was accumulated by the end of 1920.

Mr. McKELLAR. Mr. President—
The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. I yield.
Mr. McKELLAR. The Senator will recall, I know, and the Senate will recall that when the bill was passed about four years ago it was passed on the theory that the Government would bear one-half of the expense.

Mr. STERLING. Yes.
Mr. McKELLAR. At that time it was estimated that 2½ per cent would be about one-half of the expense of the retirement.

Mr. STERLING. The Senator is correct.

Mr. McKELLAR. So I take it with the increased annuities that the Senator is calculating that 3½ per cent would be about one-half?

Mr. STERLING. Yes.

Mr. McKELLAR. It was the intention all the time that the Government should pay the other half.

Mr. STERLING. I am glad the Senator from Tennessee has made his contribution, because he states the exact facts in regard to it.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Utah?

Mr. STERLING. I yield.

Mr. KING. I dislike to match my memory against the memory of the Senator from Tennessee and the able Senator from South Dakota, who is illuminating the subject, but I ask the Senator to reflect and recall, if he did not, in answer to interrogations by me, then state that for the first few years there might be needed some contribution for the Government, but that ultimately, even with the 2½ per cent of the salaries which was collected, the Government would not be called upon to pay a cent, but that it would be self-sustaining.

Mr. STERLING. Oh, no.

Mr. KING. And that in the opinion of the Senator it would be self-sustaining from the very beginning, but that there might be a period when for a short time a slight contribution would be required from the Government.

Mr. STERLING. I have no occasion to reflect on that proposition, because I have never made or thought of such a statement as that. I think I have made the statement again and again that ultimately the payments on the part of the employees and on the part of the Government would be a 50-50 proposition.

Mr. McKELLAR. Mr. President, will the Senator yield to me again?

Mr. STERLING. Certainly.

Mr. McKELLAR. Just exactly the opposite of what the Senator from Utah recalls was the fact. It was stated time and again that at first the Government would not have to pay anything, and the results have shown the accuracy of that statement, but that later on the share of the Government would be greater toward the end of the period or rather when we reached the highest point in the payments. But it was believed at all times that the amount which the employees paid would about equal the amount that the Government was to pay in the entire period, and that was stated at the time.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. STERLING. I yield to the Senator from Oregon.

Mr. STANFIELD. I can not believe that the Senator from Utah thinks for one moment that the employees of the Government of the United States should contribute the total cost of retirement. There is not a business concern that I know of in all the country that expects that of its employees. There is not a State or a nation in the world that expects anything of that kind. We are driving with our employees the hardest bargain that I know anything about when we are proposing, as we are proposing under this bill, that they shall contribute 3½ per cent toward the cost of retirement.

Mr. SWANSON. Mr. President—

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from Virginia?

Mr. STERLING. I yield.

Mr. SWANSON. I understand that nearly all the large employers of labor have now in force plans of retirement.

Mr. STERLING. I so understand.

Mr. SWANSON. I would like to ask the Senator how this bill is in comparison with the plans in effect by most of the large employers of labor? Is it more generous or less generous?

Mr. STERLING. I can hardly answer the Senator on that matter. I remember making some comparison at the time when the civil service retirement bill was passed, and I thought at the time, while my recollection is a little vague, that our plan then compared very favorably with that of the great industries which pensioned their employees.

Mr. SWANSON. I have here a record prepared for me and handed to me of the various large concerns and municipalities dealing with their employees in the way of retirement privileges. I would like to have it inserted in the RECORD. It shows what the large concerns are doing in connection with the retirement of their employees.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

Retirement systems in business enterprises

I.—CONTRIBUTORY PLAN

Name	Date of plan	Re-tirement age	Years to be served	Employee's contribution	Annuity paid	Maximum
Armour & Co., Chicago, Ill.	1911	57	20	3 per cent of salary annually.	2 per cent of final salary for each year of service.	\$5,000
Darling & Co.	1920	60	30	3 per cent of salary.	Half average pay for last 30 years.	3,000
Elgin National Watch Co., Elgin, Ill.	-----	65	20	2 per cent of salary.	One-fiftieth of average wage for last 10 years for each year of service not exceeding 25.	-----
Hibbard, Spencer, Bartlett & Co.	-----	65	15	do	Half pay, based on final five years.	1,000
Morris & Co., Chicago, Ill.	1909	55	15	3 per cent of salary.	2½ per cent of final salary.	-----
Wilson Packing Co., Chicago, Ill.	1917	55	20	2 per cent of salary.	3 per cent of average salary for final 3 years of service.	5,000

II.—NONCONTRIBUTORY PLAN

Name	Date of plan	Age re-tired	Years of service	Retirement annuity	Maximum annual annuity paid	Minimum annual annuity paid
American Brass Co., Waterbury, Conn.	1913	65	25	60 per cent of average salary for last 3 years' service.	\$5,000	-----
American Smelting & Refining Co., New York, N. Y.	1913	60	20	1 per cent of salary for last 10 years of service.	2,500	\$20
American Express Co., New York, N. Y.	1875	60	20	-----	500	-----
Blount Plow Works, Evansville, Ind.	1913	60	20	1 per cent of salary for last 5 years' service.	1,000	-----
Cleveland Cliffs Iron Co., Cleveland, Ohio.	1909	60	25	1 per cent of salary, last 10 years of service.	1,200	\$18
Commonwealth Edison Co., Chicago, Ill.	1912	60	15	1½ per cent of 5 years of highest pay.	6,000	300
Crane & Co., Chicago, Ill.	1916	60	20	2 per cent of average salary last 5 years.	\$125	\$30
General Fire Extinguisher Co., Providence, R. I.	1914	65	25	1 per cent of salary and upwards.	1,500	420
International Harvester Co., Chicago, Ill.	1908	65	20	1½ per cent of 10 years highest pay.	2,500	\$30
Murphy Varnish Co., Newark, N. J.	1919	60	20	2 per cent of average salary for last 10 years.	\$200	-----
Otis Elevator Co., Buffalo, N. Y.	1913	60	20	1 per cent of salary, last 10 years of service.	\$125	\$25
Park Davis Co., Detroit, Mich.	1910	65	20	do	\$100	\$18
Pittsburgh Coal Co., Pittsburgh, Pa.	1919	65	25	do	\$100	\$20
Stanley Rule & Level Co., New Britain, Conn.	1915	65	25	do	1,000	\$360
Steel Tube Co. of America, New York, N. Y.	-----	60	20	Half pay based on final month of service.	-----	-----
Swift & Co., Chicago, Ill.	1916	60	25	Half pay based on pay of last 5 years.	-----	-----
United States Steel and Carnegie Co.'s, New York, N. Y.	1911	65	25	1 per cent of salary, last 10 years of service.	\$100	\$12
Victor Talking Machine Co., Trenton, N. J.	1913	65	20	\$50 per month (flat rate).	-----	-----
Western Union Telegraph Co., New York, N. Y.	1914	60	20	1 per cent of salary last 10 years of service.	-----	-----
Boston Consolidated Gas Co., Boston, Mass.	-----	60	30	2 per cent of salary last 10 years of service.	2,500	360
General Electric Co., Schenectady, N. Y.	1912	70	20	1½ per cent of salary last 10 years of service.	-----	-----
Goodrich (B. F.) Rubber Co., Akron, Ohio.	1915	65	20	do	\$100	\$30
Montgomery Ward & Co., Chicago, Ill.	-----	70	20	25 per cent final salary plus 1 per cent for each year in excess of 20.	1,500	-----
Proctor & Gamble Co., Cincinnati, Ohio.	1915	60	-----	Three-fourths of average pay, last 2 years of service.	1,800	-----
Standard Oil Co., New Jersey.	1915	60	20	2 per cent of salary last 2 years of service.	(?)	300

¹ Per month.

² 75 per cent of average pay.

Retirement systems in business enterprises—Continued
II.—NONCONTRIBUTORY PLAN—continued

Name	Date of plan	Age retired	Years of service	Retirement annuity	Maximum annual annuity paid	Minimum annual annuity paid
United States Rubber Co.	1917	65	20	1 per cent of salary last 10 years of service.	\$5,000	\$240
Westinghouse Air Brake Co., Pittsburgh, Pa.	1908	65	—	do.	100	130
Westinghouse Electric Co., Pittsburgh, Pa.	1915	70	20	do.	100	130
Atchison, Topeka & Santa Fe R. R. Co., Chicago, Ill.	1906	65	15	1½ per cent first \$50, ¾ per cent all above, average monthly pay.	175	—
Baltimore & Ohio R. R. Co., Baltimore, Md.	1889	65	10	Based on sick fund.	—	—
Brooklyn Rapid Transit Co., Brooklyn, N. Y.	1909	65 and 70	10	30 per cent to 50 per cent of salary last 10 years of service.	—	—
Equitable Life Insurance Co., New York, N. Y.	1912	65	10	2 per cent of aggregate salary. ¹	3,600	—
National City Bank, New York City.	1912	65	—	2 per cent of average pay of last 10 years.	5,000	—
Pennsylvania R. R. Co., Philadelphia, Pa.	1900	70	30	1 per cent of salary last 10 years of service.	—	—

¹ Per month.

² Also free insurance and medical treatment.

In my research of retirement systems in business enterprises, I find there are so many that if they all were published it would not serve for valuable information on the subject, as some are so involved with sick and death benefits, widows and orphans benefits, that they might be confusing and harmful rather than being helpful at the present time, so a limited number has been selected for the information and consideration of all parties interested. It may be interesting to say that by far the greatest number of firms pay the entire cost of the systems.

Respectfully submitted.

ROBERT H. ALCORN,

Chairman of the Joint Conference on Retirement,
1703 Second Street NE., Washington, D. C., October 8, 1924.

MUNICIPAL RETIREMENT SYSTEMS

BOSTON AND SUFFOLK COUNTY

Who may retire: Any regular and permanent employee of the city of Boston or county of Suffolk.

Age at retirement: Compulsory at age 70, except judges, heads of departments, and boards having charge of departments. At age 60 an employee may voluntarily retire or be retired by the head of his department.

Minimum service: None.

Salary basis used: Average annual salary for last five years of service.

Contributions: Four per cent of regular compensation deducted every pay day.

Annuities: A retirement allowance consists of an annuity which the employees' contributions at 4 per cent of salary with interest compounded annually at 4 per cent will provide and in addition a pension provided by the city equal to the annuity. The pension paid by the city not to exceed one-half average salary for the last five years of service.

Options: On retirement the employee may elect—

(a) To receive the annuity and pension in monthly installments throughout life, all payments ceasing at death.

(b) Reduced payments during life, with the provision that if death occurs before payments equal present value of pension and annuity at date of retirement the balance shall be paid to his estate.

(c) Reduced payments covering two lives, with the provision that at the death of the retired the same payments shall be continued during the life of such other persons having an insurable interest in his life as shall have been designated at time of retirement.

(d) Reduced payments covering two lives, with the provision that at the death of the retired one-half of the amount of his benefits shall be continued during the life of such other person having an insurable interest in the life of the retired.

Disability retirement: For ordinary disability an employee less than 60 years of age who has completed 15 years of service receives an annuity based on the value of the accumulated deductions and in addition a pension equal to nine-tenths of the pension which the city would have granted had he remained in the service until age 60. In case

of disability the result of accident in the line of duty, regardless of age or length of service, the employee receives a similar annuity and in addition a pension equal to three-fourths of annual compensation for the preceding year.

Death in service: Total contributions with compound interest at 4 per cent is paid to the legal representatives of the employee.

Death of annuitant: See Annuities above.

Separation from service: An employee who resigns or is discharged from the service before retirement receives the total amount of his contributions with 4 per cent interest compounded annually.

Workmen's compensation law: No rights under the workmen's compensation law are lost under the provision of this system.

CITY AND COUNTY OF PHILADELPHIA

Who may retire: Employees of the city and all county or other public employees paid by appropriation of the city council.

Age at retirement: Sixty years.

Minimum service: Twenty years.

Salary basis used: Average annual salary or wages during the last five years of employment.

Contributions: Two per cent of monthly salary or wages, in no event more than \$4 a month.

Annuity: Fifty per cent of the annual salary or wages for the last five years of service, not exceeding \$100 per month.

Disability retirement: An employee permanently and totally disabled, after 20 years of service, is entitled to full annuity that he would receive after remaining in the service until 60 years of age.

Death in the service: Total amount of contributions, without interest, is paid to the estate of the employee.

Death of annuitant: The annuity for the month in which the death occurs is paid to the estate of the annuitant. No further payments or refunds are made.

Separation from service: On separation from the service from any cause the employee is entitled to the return of his contributions, without interest. If he has 20 years of service he may continue the monthly payments, at the rate last paid, until he reaches the age of 60 years and then receive the annuity he would have been entitled to had he remained in the service.

Old age pension: The Legislature of the State of Pennsylvania, in 1923, enacted a law to establish a system of old-age pensions, the maximum rate to be \$1 a day, the applicant to be over 60, a citizen and resident of the State for over 15 years. For a preparatory survey \$25,000 was appropriated, and it is estimated the full operation of the law may require an expenditure of \$10,000,000 yearly.

NEW YORK

New York State: The New York State retirement law, an abstract of which has already been sent out, is optional in its provisions so far as it applies to municipal subdivisions of the State. At this date (November 14, 1924), 30 cities, 35 counties, 9 towns, and 7 villages are voluntarily participating in the system.

Submitted by—

ROBERT H. ALCORN,
1703 Second Street, NE.

WASHINGTON, D. C., November 18, 1924.

ARGENTINA

PROVISIONS OF THE LAW FOR RETIREMENT OF RAILROAD EMPLOYEES

Law enacted: April 16, 1919; effective July 16, 1919.

Beneficiaries: All permanent employees of the Government-controlled railroads now in existence and of railroads which may be established in the future, either by public or private enterprise; also the employees on the cable railroad and the employees of the confectioners' shop operated by concessionaires of the railroads. After six months' service the employee is considered permanent.

Administration: A board of seven directors has charge of the administration. The chairman of the board is appointed by the President of the Republic, but his nomination must be confirmed by the Senate. The employees elect three of the members and the railroad employers the other three.

Source of revenue: The employees contribute 5 per cent of their monthly salaries, not exceeding 1,000 pesos (par value, \$424.60); also the first month's salary, in 24 monthly installments, and when promoted the increase received in excess of the initial salary for the first month, but this is also paid in 24 monthly installments. The employers are required to make a monthly contribution of 8 per cent of the salaries and daily wages, not exceeding 1,000 pesos. The excess of earnings above 1,000 pesos is not considered. The railroads make the deductions each month from the salaries or wages of the employees and deposit the amount in the National Bank of Argentina.

Voluntary retirement: Must have over 10 years of service and be 50 years of age to receive the maximum annuity. Persons 50 years of age with less than 10 years of service may retire and withdraw their total contributions with compound interest at the rate of 5 per cent.

Rate of annuity: Computed on the average earnings for the last five years of service; 95 per cent is allowed on earnings up to 100 pesos (\$42.46), 80 per cent on earnings between 100 pesos and 300

pesos (\$42.46 to \$127.38 par), and 70 per cent on earnings between 300 pesos and 1,000 pesos. The employee must be 50 years old and must have served 30 years to receive the maximum. For employees who have served 30 years and are between 45 and 50 years of age the annuity is reduced one-quarter.

Voluntary retirement: is also allowed employees who have had more than 10 years of service and have reached the age of 50 at the rate of 2 per cent of the ordinary retirement pension for each year of service.

Invalid pensions: Computed on the average earnings for the last 10 years of service before retirement, on the same scale as ordinary retirement pension, less a reduction of 5 per cent for each year of service less than 30. Employees with 10 years of service receive this regardless of the cause of the disability, and employees receive the pension if the disability is incurred in the course of their service, even if they have not served 10 years.

Involuntary separation: Employees discharged through no fault of their own receive the amount they have paid into the fund, without interest.

Discharged for cause: Employees discharged for certain causes forfeit all rights to the deductions; but if they have families dependent upon them, the benefits are given to the families.

Dependents: When an employee entitled to pension dies his dependents, including the widow, or widower, if suffering from disability, and the children, or in default of them, the parents or unmarried sisters of the principal, are entitled to one-half the pension to which the principal would have been entitled.

Investment of funds: The newest and most remarkable feature of the law is the provision that 40 per cent of the fund may be loaned to employees to build homes, while the other 60 per cent is invested in Government securities.

The employees to whom these loans are made must have at least 10 years of service. The rate of interest is the current rate on national bonds plus 1 per cent. The loans are secured by mortgages and by temporary life insurance. The extreme limit of the loan is 30 years.

If the value of the property does not exceed 6,000 pesos, national currency (\$2,548 par), the loan may be made up to the full value, and up to 90 per cent of the value of the property, when such value ranges from 6,000 to 10,000 pesos; but on property worth more than 10,000 pesos only 80 per cent may be loaned.

The property on which these loans are made is not subject to attachment during the life of the borrower or his wife or his minor children.

The borrower can not sell, mortgage, rent, nor give away the property without the consent of the directorate of the fund.

If the borrower dies, the amount of his life insurance is applied to the payment of the loan.

Obviously, the purpose of these loans is to encourage the employees to own homes. Retirement thus doubly serves the employees.

Submitted by—

ROBERT H. ALCORN,
Chairman Joint Conference on Retirement.

SEPTEMBER 18, 1924.

Mr. STERLING. Partly in answer to the Senator from Virginia, the actuary, Mr. McCoy, has just informed me that the States, municipalities, and business organizations generally are more generous toward their employees than the Government of the United States.

Mr. SWANSON. If the statement furnished me is correct, the pending bill is much less generous toward the employees of the Government than any of the large business concerns dealing with their employees in the matter of retirement.

Mr. SMITH. I would like to ask the Senator from South Dakota if the actuary, in figuring upon the contributions by the Government and by the employees, has based it upon a percentage of the retirement at the optional age and if so what that percentage is. That will largely determine how much will be available out of the contributions of the employees. What per cent has he figured there will be of voluntary retirement? What per cent does he figure there will be of exhaustion of the accumulated fund by voluntary retirement in excess of the contributions by the Government?

Mr. STERLING. In answering the Senator from South Carolina I will say that the actuary informs me that he has taken into consideration voluntary or optional retirement based on the ages fixed in the bill.

Mr. SMITH. What I am getting at is this: My information is to the effect that approximately 2 per cent avail themselves of the voluntary retirement privilege.

Mr. STERLING. Not nearly all will, of course.

Mr. SMITH. I do not know that there are any figures available, but if we have any figures and if we figure on that basis, of course the present pro rata between the Government and the employee would have to stand, because the law of probabilities has been figured out for them and it is based on

that figure. But I was of the opinion that such a small percentage would retire voluntarily that perhaps $3\frac{1}{2}$ per cent on the salaries of the employees would very nearly meet the necessities of their retirement, so that possibly the amount the Government would have to contribute would be as surprisingly small as the amount the Government has had to contribute for the last four years.

Mr. STERLING. Mr. President, I think I have said all I desire now to say.

Mr. SMITH. Mr. President, this measure, in my opinion, has not been studied sufficiently to enable the Senate fully to understand its provisions. It proposes to levy a contribution from those who are receiving Government salaries in order to create a fund out of which the employees on reaching a certain age may retire with enough to make their old age at least tolerable. It has been figured out that a certain amount contributed by them, supplemented by another small amount contributed by the Government, will reach that end. There is now accumulated approximately \$40,000,000. It is proposed under this bill, unfortunately, I think, that that \$40,000,000 shall be used and exhausted before the Government shall make any contribution.

Mr. STANFIELD. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Oregon?

Mr. SMITH. I yield.

Mr. STANFIELD. There is no provision in the bill such as the Senator from South Carolina indicates. The Government is simply the custodian of this fund, which belongs to the employees; the Government is simply a banker and bookkeeper for the employees. How would it benefit the employees if the Government were from day to day to contribute its proper proportion to the contribution of the employees? It would not help the employees at all.

Mr. SMITH. I thoroughly understand that.

Mr. STANFIELD. If the Senator will permit me, I desire to say that if the employees were all to quit the service to-morrow they would have a right to withdraw the entire fund, which is now approximately \$37,000,000, with 4 per cent compound interest on it. Then the Government would have to contribute the 4 per cent interest that the employees have not contributed to the fund in order to pay them all.

Mr. SMITH. Mr. President, I am sorry that the Senator from Oregon has entirely misconstrued every word I have said. I am perfectly cognizant of the fact that this money has been paid into the Treasury for the benefit of the employees by the employees, and that the Government is merely acting as banker and trustee of that fund, and that there is an accumulation of interest thereon.

Now it is proposed under this bill that the Government shall pay out to those employees, retiring at the ages specified in the proposed law, a certain amount. My idea was that if right now the Government were to begin to pay into this already accumulated fund its 2.87 per cent and levy on the average salary of the employee $3\frac{1}{2}$ per cent, we should have a perpetual fund. At no time would it call for an extravagant outlay on the part of the Government, but it would be like a spring that would flow sufficiently strong to retire the weak as they reach the age of voluntary or involuntary retirement; but if we go on and pay the retirement annuities out of the accumulated reservoir until it shall have run dry, and then begin the relative payments by the Government and the employees the Government, in order to make up its deficit of 15 years, would have to pay the astounding sum which the Senator mentioned a moment ago. If, however, the Government should begin now and contribute its part to the fund, together with what the employees contribute, we should have a perpetual retirement fund of the amount specified in the bill without there ever being any great annual appropriation by the Government.

Mr. STANFIELD. Mr. President, I should like to say to the Senator, however, that ultimately it would not make one dollar's bit of difference to the Government in the amount that it will have to contribute.

Mr. SMOOT. Mr. President, I find in the Evening Star of to-night the following statement:

RETIREMENT BILL IN SENATE TO-NIGHT—MEMBERS REACH AGREEMENT TENDING TO QUICK DISPOSAL OF STANFIELD PLAN

The Stanfield bill liberalizing the civil service retirement act is slated for passage at a session of the Senate to-night.

The Senate to-day agreed to hold a night session beginning at 8 o'clock, at which three bills should be considered in the following order:

First, the House bill to authorize the more complete endowment of agricultural experiment stations.

Second, the civil service retirement bill.

Third, the McFadden banking bill.

AGREE ON RETIREMENT BILL

An agreement, it was said to-day, has been reached on the civil service retirement bill, which will make its passage possible without delay. Under this agreement the maximum annuity remains \$1,200 as provided in the Stanfield bill. The percentage contribution by the employees of the Government to the retirement fund will be 3½ per cent, as in the Stanfield bill. Under existing law the maximum annuity is \$720 and the contribution is 2½ per cent.

The Senators interested in the bill have agreed on a flat, horizontal, voluntary age of retirement at 63 years. The involuntary age of retirement is left at 70 years of age. An employee may retire voluntarily at 63 after 30 years of employment. In the bill as originally reported the voluntary age of retirement for mechanics, laborers, city and rural letter carriers, post-office clerks, and railway postal clerks was placed at 58 years. In the existing law certain classes of employees may retire at 62.

ACCEDE TO AMENDMENTS

Senator STANFIELD, chairman of the Civil Service Committee; Senator SMOOT, of Utah, and others have agreed to the amendments indicated and representatives of the employees' organizations said to-day they thought the bill would pass with the proposed amendments.

According to the Government actuary the cost of retirement will amount to 8 per cent of the Government pay roll with the employees putting up 3½ per cent and the Government 4½ per cent until the deficit existing when the law went into operation in 1920, owing to the fact that there had been no previous contributions by employees, is wiped out. Then the cost will be 6 per cent of the pay roll, with the employees contributing 3½ per cent and the Government 2½ per cent.

Mr. President, I want the Senate distinctly to understand just what has taken place up to this time. I think that I have given as much attention to retirement legislation as any Senator in this body. I was among those who first suggested that there should be a retirement system for Government employees. For weeks the Civil Service Committee held hearings as to the best plan to adopt. We had before us the Canadian law, the English law, and the laws of all the countries of the world where retirement systems are in vogue. The bill under consideration by the committee at that time was reported to the Senate by the Senator from Iowa [Mr. CUMMINS], then chairman of the Civil Service Committee. A similar bill was reported to the House, but neither body passed the bill. There was objection on the part of House Members and objection on the part of Members of the Senate.

When 1920 came there was another effort made to enact into law a bill providing for a system of retirement of civil employees. That bill passed. As Senators who were here at the time and were interested in that legislation will remember, the question of age at which retirement should take place, I think, was the bone of contention; at least, it was the principal question discussed in the Senate. The differences of opinion were more acute on the question of the age limit at that time, perhaps, than on the rate the employees should be required to pay, or, I might add, any of the other provisions of the bill. Senator Pomerene from Ohio, Senator CUMMINS of Iowa, myself, and a few other Senators who were on the committee at the time positively refused to allow a forced retirement before the age of 70.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER (Mr. Watson in the chair). Does the Senator from Utah yield to the Senator from South Dakota?

Mr. SMOOT. I yield.

Mr. STERLING. Is not the Senator from Utah in error in making that statement?

Mr. SMOOT. I do not think so.

Mr. STERLING. I think the Senator from Utah is in error in regard to the chairmanship of the committee for one thing, and I think he is in error also—

Mr. SMOOT. I did not say that in 1920 the Senator from Iowa was chairman of the committee.

Mr. STERLING. I thought the Senator did.

Mr. SMOOT. I never said that at all.

Mr. STERLING. I beg the Senator's pardon. I thought he referred to 1920.

Mr. SMOOT. Not at all. I said that the first time the question came up for consideration, when the first hearings were held, the Senator from Iowa was chairman of the committee, and I think he was followed by the Senator from South Dakota [Mr. STERLING].

Mr. STERLING. He was followed by Senator Pomerene as chairman of the committee, I think.

Mr. SMOOT. Yes; at that time the Democratic Party was in power, and Senator Pomerene was chairman of the committee.

I presume Senators will remember the letters that were read here from employees and the statements that were made as to what it would mean to the Government if the age limit were placed at 65 as then proposed. After full discussion on the subject and after thorough examination the Senate agreed that the compulsory retirement age should be 70 years, and added to that 2 years and 2 years additional, and on the floor of the Senate, as I remember, the words "and so on" were added. That is why we have employees in the service to-day who are over 80 years old.

Mr. FLETCHER. But they have to be certified as to their health and capacity by the head of the department.

Mr. STERLING. And their efficiency.

Mr. SMOOT. Certainly they have to be; and I want to say to the Senate, too, that they are efficient. I can point to employees in the service whom I know who, though 79 years old, are as valuable servants to the Government as any young man could possibly be, and more so. I know that to be a fact.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. STANFIELD. They would not make good mail carriers, would they?

Mr. SMOOT. I am not discussing that question at all. I am discussing now the 56,000 people who are in the employment of the Government in the District of Columbia, and they are to be considered as well as the mail carriers.

This paper says that an agreement was reached. I want to tell the Senate just exactly what I have had to do with this matter.

The chairman of the committee, the Senator from Oregon [Mr. STANFIELD], the Senator from Vermont [Mr. DALE], a member of the committee, and I, have talked this thing over time and time again with the actuary, and we have agreed that there ought to be amendments to this bill as reported to the Senate. With those amendments I would support it freely. I never had any idea but that those amendments were acceptable. I had them all made out and presented them to the chairman and had the reasons for them tabulated. Just before I went to dinner to-night, however, as I was leaving my office, the chairman of the committee telephoned to me and said that those amendments could not be agreed to, and that the Senator from South Dakota [Mr. STERLING] was going to offer amendments to the bill; I know not what they were or what they are.

Mr. STANFIELD and Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield, and if so, to whom?

Mr. SMOOT. I yield to the Senator from Oregon.

Mr. STANFIELD. I think the statement of the Senator from Utah is fairly correct. Of course, I do not know at what time his dinner hour occurs, but I do know that about 4 o'clock this afternoon I called him up, after the conclusion of a meeting of the Civil Service Committee, and I told him that the committee would not agree to two of the amendments that he had proposed.

I think, in all fairness, what the Senator should do is this: The opinion of the committee may not be the opinion of the body. I think if the Senator would submit his amendments and the committee's ideas to the body, and let the body be the judge of what is right, that would be the fair thing to do. I do not think it is the fair thing to filibuster this bill, and talk, as the Senator has said he will do, until there will not be any vote on it to-night. If the Senator is going to do that, I want the Senator from Utah to take the full responsibility of it.

Mr. SMOOT. I am perfectly willing to take the responsibility.

Mr. STANFIELD. I want to say that as far as the committee are concerned, they only want to abide by the conclusions of this body, and they are willing to submit the matter to the body for a vote as to whether they are right or wrong. I will say frankly that I am very much in sympathy with the Senator from Utah in some of his amendments.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Alabama?

Mr. SMOOT. I want to say a word to the Senator from Oregon about the time. I was in my seat here at 5 o'clock. I went to my office; I signed over 50 letters; I looked over the accumulated mail that had come in during the afternoon; I

had my overcoat on, and my hat on, and I did not leave this body until 5 o'clock.

Mr. HEFLIN. Mr. President, now that the Senator has finished telling about what time he ate his dinner, and how many letters he signed—

Mr. SMOOT. If the Senator is going to talk about that I prefer to go on; but if he wants to ask me a question I shall be glad to answer it if I can.

Mr. HEFLIN. I desire to ask the Senator a question. I am just glad that he has gotten to the point where he will yield.

I understand that there are several amendments that the Senator has gone over with the chairman of the committee, the Senator from Oregon [Mr. STANFIELD], and that they have agreed on practically all of them.

Mr. SMOOT. Yes.

Mr. HEFLIN. And from the Senator's statement I understand that they have agreed on all of them but two.

Mr. SMOOT. We agreed upon all of them.

Mr. HEFLIN. Then why may we not vote on them?

Mr. SMOOT. We will, Mr. President. I am not through with this statement. I want to get through with it.

Mr. HEFLIN. I am afraid the Senator is going to cause some other speeches to be made when he is through.

Mr. SMOOT. I will say to the Senator that I am not through. The Senator from Oregon [Mr. STANFIELD], the Senator from Vermont [Mr. DALE], and myself met the representatives of the organization of the employees of the Government. I have had them in my office time and time again. I want the retirement legislation to pass, but I want it to pass right. They all agreed to these amendments, and then left the meeting and wrote letters to the members of the committee asking that they be not approved.

Mr. STERLING. Mr. President, I am a member of the committee, and I never got any such letter.

Mr. SMOOT. The other Senators will say it.

Mr. GEORGE. Mr. President, I am a member of the committee, and I never got any such letters.

Mr. SMOOT. I will ask the chairman, then.

Mr. McKELLAR. I am a member of the committee, and I never got any such letters.

Mr. SMOOT. I got my information from the chairman of the committee.

Mr. RANSDELL. I should like to say that I am a member of the committee, and I got no such letters.

Mr. SMOOT. I refer to the chairman of the committee to say whether he got them or not. That is where I got my information.

Mr. STANFIELD and Mr. COPELAND addressed the Chair. The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. SMOOT. Yes; I yield to the Senator from Oregon.

Mr. STANFIELD. I hope the Senator from Utah does not want to make the statement that I said to him that the members of the committee had received such letters. I am quite sure that I did not make such a statement as that, because I have no knowledge that would justify me in making such a statement.

Mr. SMOOT. What did the Senator say to me then? What did he tell me?

Mr. STANFIELD. I think perhaps I told the Senator that the opinion of the committee was against two of his amendments.

Mr. SMOOT. I know the Senator told me that, but that is not all he told me.

Mr. STANFIELD. All right; what else did I tell the Senator?

Mr. SMOOT. The Senator from Oregon told me that these very people had written letters to the members of the committee.

Mr. STANFIELD. No; I did not say anything about that. The Senator from Utah is mistaken. I said that there were representatives of the employees here who were opposed to his amendments, and had talked to the members of the committee, and I did tell the Senator that I had been informed that Mr. Wales, of the Civil Service Commission, had been up here and had talked to Members, and that there was going to be objection to some of the amendments that the Senator from Utah had suggested; but I did not say to him anything about any letters being written, because I had no knowledge of any such thing.

Mr. SMOOT. I knew nothing about it except what the Senator from Oregon told me; that is all.

Mr. DALE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Vermont?

Mr. SMOOT. I do.

Mr. DALE. I should like to say right there, so that there will not be any reflection on Mr. Wales, of the Civil Service Commission, that Mr. Wales came up here at my call. He did not take this matter up with me; I took it up with him over the telephone, and asked him to come up here. I want that to be perfectly clear.

Mr. SMOOT. The Senator did tell me about Mr. Wales, and I did not even intend to refer to him, because he is a member of the Civil Service Commission. I did not intend to refer to that at all; but I know one thing—that I could not say a thing unless I had been told that thing.

Mr. DALE. The Senator from Utah understands my point.

Mr. SMOOT. Oh, I did not say anything about Mr. Wales.

Mr. STANFIELD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Oregon?

Mr. SMOOT. Yes.

Mr. STANFIELD. I am just as positive about what I said as the Senator may be about what some one has said to him—myself or anyone else.

Mr. SMOOT. I am perfectly willing to let it rest there.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Florida?

Mr. SMOOT. Yes.

Mr. FLETCHER. Is there any objection to taking the Senate into the confidence of the Senator, and telling us what those amendments are? I am curious to know what they are.

Mr. SMOOT. I will tell the Senator, but there is no necessity of doing that to-night. I think the best way to do to-night is to let this matter go over, and I should like to see some of the representatives of the employees who have talked to me about it and who have told me that they were perfectly willing to have these amendments made.

Mr. SMITH. Mr. President, perhaps we would like to digest them to-night. We would like to get hold of them and be ready to consider them to-morrow.

Mr. SMOOT. I can tell the Senator what they are.

Mr. SMITH. Yes; let us know what they are.

Mr. SWANSON. Mr. President, why not let the Senate pass on this bill and not traffic and trade outside of the Senate in regard to it? Why not let the judgment of the Senate be passed on this bill?

Mr. SMOOT. They shall have it. I am not saying that the Senate will not finally pass upon it, but they are not going to pass upon it to-night.

Mr. HEFLIN. Mr. President—

Mr. SWANSON. I understand, then, that the Senator is threatening to filibuster?

Mr. SMOOT. I do not care what the Senator calls it.

Mr. SWANSON. That is what I do call it.

Mr. SMOOT. I do not care what the Senator calls it. If the Senate wants to know what these amendments are, I am perfectly willing to say now just what they are and give the Senate the reasons for proposing them.

Mr. FLETCHER. That is right.

Mr. SMOOT. I am perfectly willing to do that. There is nothing that I conceal in any way, shape, or form. I would just as soon tell the whole world what I am telling the Senate here, and I want every employee of the Government to know just what my position is.

Mr. STANFIELD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Oregon?

Mr. SMOOT. Yes.

Mr. STANFIELD. Will not the Senator permit the bill to be read for the purpose of considering the committee amendments and then considering the Senator's amendments?

Mr. SMOOT. No; not to-night.

Mr. STANFIELD. The Senator does not know that they are going to be turned down.

Mr. SMOOT. Not to-night.

Mr. STANFIELD. Is the Senator afraid of his own amendments?

Mr. SMOOT. Not in the least.

Mr. STANFIELD. Is the Senator afraid to submit them to the body?

Mr. SMOOT. Not in the least.

Mr. STANFIELD. Then I submit that the Senator ought not to do that.

Mr. SMOOT. I do not think I have been treated correctly in this matter at all.

Mr. STANFIELD. I hope the Senator will not take that position.

Mr. SMOOT. I am not laying it to the Senator.

Mr. STANFIELD. I should regret it if the Senator did. I have tried to be what I think is more than fair. I can not conceive of myself going further with any Member of this body than I have with the Senator from Utah to give him fair consideration in connection with this bill. Ever since last April the Senator from Utah has opposed this measure, and he has done everything that he could to block its consideration, notwithstanding the fact that in the closing hours of the first session of this Congress he agreed with me, standing here at this desk, that in the first days of December he would do everything in his power to bring up this bill for consideration. He told me that fairly, and I know that he meant it. I am sure that he was sincere when he told me those very words—that he would do that if I would not attempt to bring up the bill in the closing hours of the first session of this Congress, when it was proposed to make it the unfinished business or a special order for the 11th day of December. The Senator from Utah said to me: "Do not do that, but in December I will help you to get this bill up for fair consideration by the body." December has passed, and January has passed, and February has come, but it makes but little difference so far as that obligation is concerned; and I do not think the Senator is quite fair when he filibusters here to-night to keep this bill from being acted on by this body.

Mr. SMOOT. I am going to see some of the men who have promised me here what they were going to do, what they were perfectly willing to do. I want to know who they were and why they went to work to do what they did.

Mr. McKELLAR. Mr. President, those men do not have to pass on this measure.

Mr. SMOOT. It is not a question of those men passing on this measure.

Mr. McKELLAR. Senators have to pass on this measure.

Mr. SMOOT. It is a question of what those men have already done. If the Senate want to know what these amendments are, I will tell them.

Mr. SWANSON. Mr. President, surely the Senator from Utah does not want any higher privilege than any other Senator has, namely, to present his amendments and let the judgment of the Senate be passed on them.

Mr. SMOOT. There will be plenty of time to do that. This bill is going to pass, but not to-night.

Mr. SWANSON. All that any Senator ought to ask is the privilege of presenting amendments and letting the judgment of the Senate be passed on them.

Mr. SMOOT. The Senator will take his own course.

Mr. DALE and Mr. FESS addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. SMOOT. I yield to either one of the Senators.

Mr. DALE. Mr. President, it seems to me that the way this matter is left now, it rather casts a reflection on the men who are officially connected with the retirement proposition, the civil-service employees and their officials in particular. I want to say that none of those officials have labored with me or written to me or even asked me to undertake to change these amendments from what the Senator from Utah has.

Mr. SMOOT. I am not going to travel over that same ground. We have traveled over it to-night.

Mr. DALE. I do not think that reflection ought to be left.

Mr. SMOOT. I do not ask the reflection to be on a single member of the committee—not one.

Mr. DALE. I do not care anything about the committee. The committee can take care of itself. I am talking about the officials of the civil-service organization outside.

Mr. SMOOT. I am perfectly aware who they are, and the information came to me. I am not going to go over that ground again. I want to see them, and see why they did it.

Mr. DALE. I do not know that they did it.

Mr. SMOOT. I do not say the Senator does—

Mr. DALE. I know the Senator does not.

Mr. SMOOT. But I want to be sure of it.

Mr. FESS. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. FESS. Would it be in order, in view of the apparent situation that we can not get a vote, to ask unanimous consent to lay this bill aside and take up the other bills on the calendar?

Mr. SMOOT. Mr. President, I do not know that that is necessary, although I will do whatever the Senate wants to do. I want to be perfectly understood. I have not any objection to the retirement bill passing; but I am not going to be notified here between 5 and 6 o'clock, when I was just about to go home, that a program which had been agreed to

was not going to be carried out, and I want a chance to-morrow to find out the facts of this thing.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. SMOOT. I yield to the Senator.

Mr. STANFIELD. I would like to ask the Senator from Utah just what particular difference it meant to him as to what particular hour he was notified? More than that, I would like to ask him why it is that he should feel that the whole responsibility of this measure rests on his shoulders, instead of on the shoulders of the Members of the Senate generally?

Mr. SMOOT. Mr. President, I am a Senator of the United States, and I am not here just simply to say "yes" because somebody else says "yes." That has not been my course in the Senate. I try to analyze and study all the bills passing the Senate, and I always do what I think is right.

Mr. HEFLIN. Mr. President, the Senator can certainly understand just how anxious these employees are, because this session is going to die on the 4th of March. He should not quarrel with them for wanting to get action at the earliest possible moment.

Mr. SMOOT. I am not quarreling with them, and there is no question but what they will have a retirement bill, as far as I am concerned.

Mr. HEFLIN. But the Senator has notified the Senate that we can not have action to-night.

Mr. SMOOT. There is no use going over that again. I am not going to allow a vote on this bill to-night. That is all there is about it; it will not be done.

Mr. HEFLIN. Mr. President, the Senator—

Mr. SMOOT. I decline to yield.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Dakota?

Mr. SMOOT. For a question.

Mr. STERLING. The question is this: Does not the Senator from Utah think it would be fair and reasonable to go through this bill, receive any suggested committee amendments, and consider them? The Senator from Utah, I think, probably would agree to nearly all the amendments which the committee would propose, through its chairman, the Senator from Oregon [Mr. STANFIELD].

Mr. SMOOT. That can be done in 30 minutes, in my opinion, at any time.

Mr. STERLING. Then when we come to an amendment in regard to which there can be no agreement let the Senate determine whether the bill shall be laid aside; but let us make that much progress, anyhow, in the consideration of the bill.

Mr. SMOOT. I am perfectly willing to consider amendments to-night to which there is no objection.

Mr. HEFLIN. That is all right.

Mr. SMOOT. Wait a minute. Whenever there is an objection to an amendment, I want to have it go over. Not only that, I do not want the bill to pass to-night.

Mr. HEFLIN. Mr. President—

Mr. SMOOT. If that is not agreed to, then I will go on.

Mr. HEFLIN. As I understand it, the Senator will not object to a vote on amendments which are not objected to, and when we get to those to which there is objection, have the bill go over until tomorrow?

Mr. SMOOT. I am perfectly willing to do that, but I am not going to have the bill passed to-night. It will not pass before I find out more about what has happened.

Mr. HEFLIN. Let us get along with it as far as we can.

Mr. STANFIELD. Suppose we agree to all the amendments; would the Senator object to the Senate voting on the bill?

Mr. SMOOT. We can not agree on all the amendments.

Mr. STANFIELD. The Senator does not know that.

Mr. SMOOT. I do know it.

Mr. STANFIELD. How does the Senator know it?

Mr. SMOOT. Because the Senator from Oregon told me of one of them.

Mr. STANFIELD. I do not speak for this body.

Mr. SMOOT. The Senator is asking me about how I knew, and I tell him I got the information from him.

Mr. STANFIELD. The Senator does not know but what this body will agree with him, and not with the committee.

Mr. SMOOT. I am not going to take that chance. [Laughter in the galleries.]

The PRESIDING OFFICER. The occupants of the galleries are admonished that under the rules of the Senate they are not permitted to indicate either approval or disapproval.

Mr. SMOOT. I am perfectly willing to have the bill taken up, and wherever there is an objection made, to have the amendment go over.

Mr. McKELLAR. That is all right.

Mr. SMOOT. Then, when the amendments to which there is no objection are agreed to, we will lay the bill aside.

Mr. SWANSON. Will the Senator be willing to state the time when we can have a vote on the bill?

Mr. SMOOT. We can probably reach a vote on it to-morrow.

Mr. HEFLIN. At what time to-morrow?

Mr. SMOOT. I do not care at what time to-morrow.

Mr. SMITH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Carolina?

Mr. SMITH. I just wanted to ask the Senator if there are some parties he wishes to see, or is it amendments to the bill he wants to consider? It looks as if he is aggrieved with somebody or something, and I want to know who it is he wishes to see between now and to-morrow in order to get himself in a frame of mind to let the bill pass.

Mr. SMOOT. Perhaps I had better withdraw my consent, and go on.

Mr. McKELLAR. Oh, no; let us go on with the bill for amendment.

Mr. HEFLIN. Let us consider the amendments that can be agreed upon.

Mr. SMOOT. I am perfectly willing to go on. I ask unanimous consent that we proceed with the consideration of amendments to the bill; that when objection is made to any amendment, it shall go over, and that when the amendments to which there is no objection are agreed to, the bill be laid aside.

Mr. McKELLAR. Let the bill be read for action on the committee amendments first.

Mr. STANFIELD. I would like to propose as an amendment to that unanimous-consent request, that we vote on the bill at not later than 3 o'clock to-morrow.

Mr. SMOOT. That brings up the question of the unfinished business. I assure the Senator that I am perfectly willing to have the Senate meet to-morrow night, and to go on with the bill and pass it.

Mr. HEFLIN. I think we can arrange that to-morrow.

Mr. SMOOT. I do not want to have any understanding which will interfere with any other plan for the conduct of the business of the Senate.

Mr. BROUSSARD. Will the Senator not include the offering of amendments by other Senators to-morrow?

Mr. SMOOT. Let us get through with the amendments which the committee desire to offer. Let us go on with the committee amendments.

The PRESIDING OFFICER. The Chair desires to state that at the beginning of the consideration of this measure the Senator from Arkansas [Mr. ROBINSON] asked for the formal reading of the bill.

Mr. ROBINSON. Let the formal reading of the bill be dispensed with.

Mr. SMOOT. I am perfectly willing that the formal reading shall be dispensed with.

The PRESIDING OFFICER. Without objection the formal reading of the bill will be dispensed with, and the bill will be read for amendment, committee amendments to be considered first.

Mr. SMOOT. Has the unanimous-consent request which I submitted been granted?

The PRESIDING OFFICER. The Chair could not hear all of the request, and if he does not state it as the Senator preferred it, he will correct the Chair. The Senator from Utah asks unanimous consent that the bill be read for amendment, committee amendments to be considered first—

Mr. SMOOT. For committee amendments.

The PRESIDING OFFICER. For committee amendments; and when any amendment is objected to, it shall go over.

Mr. SMOOT. And that when all the committee amendments have been offered, the bill be laid aside.

Mr. SMITH. Is the Senator willing to agree that after the committee amendments, not objected to, have been agreed to, and those objected to passed over, other amendments may then be offered? We will have some time, and some helpful amendments may be offered.

Mr. SMOOT. Those amendments may be in direct conflict with what the committee amendments provide. I do not want to have that done until I know what the committee amendments are. I do know what one of the amendments is.

Mr. SMITH. Would not that be developed when they were offered on the floor?

Mr. SMOOT. It might be, for aught I know. I do not know what they are.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Dakota?

Mr. SMOOT. I yield.

Mr. STERLING. Is it the idea of the Senator from Utah that upon a mere objection to an amendment of the committee, it shall go over and not be discussed to-night?

Mr. SMOOT. Yes; not to be considered to-night. They may all be agreed to, for aught I know, with the exception of one.

Mr. SMITH. Perhaps we can straighten that one out.

Mr. SMOOT. Not to-night.

Mr. STANFIELD. May it not be put to a vote?

Mr. SMOOT. No; not to-night.

Mr. SWANSON. Mr. President, I ask that the regular order be proceeded with.

The PRESIDING OFFICER. The regular order is demanded, and the regular order is the reading of the bill.

Mr. SMOOT. I will proceed, then.

Mr. RANDELL. No objection has been made to the request of the Senator.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Utah?

Mr. SMOOT. The Senator having the bill in charge just asked me a question that would lead me to believe—

Mr. STANFIELD. I have not objected.

Mr. SMOOT. That he misunderstood me.

Mr. STANFIELD. I have not objected.

Mr. SMOOT. So it is understood that my request is granted?

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered. The secretary will read the bill for action on committee amendments.

The reading clerk proceeded to read the bill.

Mr. STANFIELD. Mr. President, I wish to propose an amendment on page 1, line 9.

The PRESIDING OFFICER. A committee amendment?

Mr. STANFIELD. A committee amendment.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 1, line 9, the committee proposes to strike out the word "fourth" and to insert in lieu thereof the word "second," so that it will read:

That, beginning on the first of the second month next following the passage of this act, all employees in the civil service of the United States to whom this act applies.

And so forth.

The PRESIDING OFFICER. The question is on agreeing on the amendment.

Mr. SMOOT. Let me read that first.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The reading clerk again read the amendment.

Mr. SMOOT. The only reason why four months was provided was that it was not thought the organization could be gotten into shape before four months. If the Senator assures me that it can be done in 60 days, I have not a particle of objection to the amendment.

Mr. STANFIELD. We are advised that it can be done. In the act of 1920, 90 days, or 3 months, was provided. Now, all the machinery is set up, and it seems reasonable to presume that it can be done in 60 days.

Mr. SMOOT. I have no objection to the amendment.

The amendment was agreed to.

Mr. DIAL. I ask that the amendment on page 2, line 5, go over.

The PRESIDING OFFICER. That will go over under the agreement.

The next amendment of the committee was, on page 2, line 2, to strike out the word "sixty," and to insert in lieu thereof the word "sixty-three," so as to read:

That beginning on the 1st day of the second month next following the passage of this act all employees in the civil service of the United States to whom this act applies who shall have attained or shall hereafter attain the age of 63 years—

and so forth.

Mr. SMOOT. Let me say to the Senator that if the other amendment is agreed to I think this ought to be 63 years, but if Senators are going to insist upon an amendment to it, of course I am going to ask that it go over. If they allow it to remain at 63 years, I have no objection whatever.

Mr. DIAL. I think it had better go over until to-morrow.

The PRESIDING OFFICER. Objection is made, and the amendment goes over. The Secretary will state the next amendment.

The READING CLERK. On page 2, line 5, the committee proposes to strike out "fifty five" and to insert in lieu thereof "fifty eight."

Mr. DIAL. Let that go over.

The PRESIDING OFFICER. The amendment goes over.

Mr. FLETCHER. Does the Senator from Utah propose to amend it?

Mr. SMOOT. My amendment provides—that is, the amendment we all discussed—that there shall be a straight 63-year limit.

Mr. FLETCHER. For all?

Mr. SMOOT. For all.

Mr. FLETCHER. Without any exceptions?

Mr. SMOOT. Without any exceptions at all. It makes one 62, which is now, under the existing law, 63. I am perfectly willing, when the time comes, to give the Senate the reasons for that, but I need not do it to-night.

Mr. SMITH. Since this matter is going over, I think I shall offer an amendment to those two age limits in conformity with some other provisions of the bill.

The PRESIDING OFFICER. The Secretary will state the next amendment.

The READING CLERK. On page 7, line 14, after the word "service" and the comma insert the words "but not to exceed thirty," and on page 7, line 16, to strike out "five" and insert in lieu thereof "ten," so as to read:

SEC. 3. That the annuities of an employee retired under section 1 of this act shall equal the number of years of service, but not to exceed 30, multiplied by the average annual basic salary, pay, or compensation received by such employee during the 10 years next preceding the date on which retirement shall take place, divided by 45, but said annuity shall in no case exceed \$1,200 per annum or 75 per cent of such average salary.

The amendment was agreed to.

The next amendment was, on page 7, line 24, after the word "year," to insert a colon and the following proviso:

Provided, however, That no employee with less than 25 years of service shall receive more than 75 per cent of the maximum annuity, except for disability.

Mr. STANFIELD. There is a committee amendment to be proposed just preceding this one.

The PRESIDING OFFICER. Does the Senator from Oregon object?

Mr. STANFIELD. Let it go over.

The PRESIDING OFFICER. The amendment goes over. That concludes the committee amendments which have been reported. Are there other committee amendments?

Mr. DALE. Yes.

Mr. KING. Was disposition made of the amendment found in lines 24 and 25, page 7?

The PRESIDING OFFICER. That amendment was passed over.

Mr. McKELLAR. May I have the attention of the Senator from Oregon? I inquire if there are not other committee amendments?

Mr. STANFIELD. There are, but they have not been printed.

Mr. DALE. It was my understanding that the bill was to be read through for the committee amendments indicated in the bill, and then we would go back for further committee amendments, and then consider individual amendments.

The PRESIDING OFFICER. It was understood that the bill was to be read for committee amendments, not for individual amendments, and the Chair will state to the Senator from Vermont that the committee amendments printed in the bill have been stated at the desk.

Mr. DALE. Then I propose the committee amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be reported.

The READING CLERK. On page 5, line 16, after the words "employees of the", insert "offices of solicitors of the several executive departments."

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Utah will state the inquiry.

Mr. KING. Under the arrangement which I am advised was made during my absence from the Chamber, I understand that no amendments other than committee amendments are to be considered to-night if objected to. Does that apply to amendments that may be tendered from the floor?

The PRESIDING OFFICER. The Chair understands that no individual amendments are in order to-night.

Mr. KING. Then, the amendment offered by the Senator from Vermont will be pending?

The PRESIDING OFFICER. It is a committee amendment.

Mr. MOSES. What was the answer to the inquiry propounded by the Senator from Utah? Is not every amendment offered here under the same condition?

The PRESIDENT pro tempore. Not under the unanimous-consent rule.

Mr. MOSES. None but committee amendments are to go over under objection?

Mr. SMOOT. They are to go over on objection and the bill is to be laid aside.

Mr. MOSES. No individual amendments are to be proposed to-night?

Mr. SMOOT. No.

Mr. KING. I object to the consideration of the amendment to-night.

Mr. HEFLIN. But that was a committee amendment.

The PRESIDING OFFICER. But it is objected to.

Mr. KING. I understood it was a committee amendment and I objected. I should be glad to hear an explanation of it.

Mr. STANFIELD. I shall be glad to give the Senator an explanation. It is to take in the employees in the various offices of the solicitors in the various departments of the Government. In some instances employees in the solicitors' offices come under the law. In the office of the Chief of the Interior Department the employees have contributed, but the old law does not provide for them to come under its provisions.

Mr. McKELLAR. Many of them have been in the service for many years.

Mr. STANFIELD. Yes; and have been contributing to the fund.

Mr. KING. Let me inquire of the Senator who has charge of the bill if they are all civil-service employees?

Mr. STANFIELD. They are civil-service employees who have been contributing to the fund.

Mr. KING. Why would they not be embraced within the terms of the original act?

Mr. SMOOT. They were not included in the act of 1920, and yet during all that time they have been paying the regular contribution of 2½ per cent.

Mr. KING. Why did they contribute if they were not within the all-embracing terms of the act?

Mr. McKELLAR. They were civil-service employees and, of course, they had to contribute, but they did not come within the benefits of the act.

Mr. STANFIELD. But they had to contribute.

Mr. McKELLAR. They ought to have been put in at the time.

Mr. KING. I do not have the act before me, but my recollection of it was that those who were civil-service employees, regardless of the position which they occupied in the Government, whether in the executive or legislative branch of the Government, were to be beneficiaries under the act. I recall there was a good deal of discussion as to whether or not persons who were not within the classified service, but who had been with the Government for many years, should be beneficiaries under the act. I understood then, and I think that was the view of Senators who participated in the debate, that all persons within the classified service were to be beneficiaries of the act.

The PRESIDING OFFICER. Does the Senator press his objection?

Mr. KING. No; I will withdraw it.

The PRESIDING OFFICER. The Senator from Utah withdraws his objection. Is there further objection to the amendment? If not the amendment is agreed to. The Chair hears no objection to it.

Mr. DALE. Mr. President, I propose the amendment which I send to the desk.

Mr. KING. For the committee?

Mr. DALE. Yes.

The PRESIDING OFFICER. The Clerk will report the amendment.

The READING CLERK. On page 6, line 5, beginning with the word "whose," strike out in lines 5 and 6: "Whose employment contemplates permanency of tenure, or a fixed term of not less than four years," and insert in lieu thereof the words: "employees whose tenure of employment is not intermittent or of uncertain duration."

Mr. SMOOT. That just relates to the fourth-class postmasters. We are all agreed, I think, that it ought to be adopted.

Mr. SMITH. Let the amendment be stated again.

The reading clerk again stated the amendment.

Mr. SMITH. Now, may we have the Clerk read it as amended, beginning with the word "provided"?

The PRESIDING OFFICER. The Clerk will report the text as it will be amended if the amendment is agreed to.

The READING CLERK (reading).—

Provided, That these groups shall include only those employees whose tenure of employment is not intermittent or of uncertain duration.

Mr. SMOOT. The purpose of the amendment is to remove the ambiguity which now exists in paragraph (d) of section 2. This paragraph would seem to apply only to unclassified employees, but from the proviso there is a suggestion that officers of the United States appointed for a fixed term were to be included also. No reason appears for such an extension of the retirement system, and since the present language of the section is conflicting and ambiguous, the amendment is proposed limiting the application of the retirement system, so far as persons not in the classified service are concerned, to employees whose service is regular and continuous.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment is agreed to.

Mr. DALE. I now offer the committee amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from Vermont offers the following committee amendment.

The READING CLERK. On page 7, line 15, after the word "compensation," insert the words "not exceeding \$1,800."

Mr. KING. I object. Let the amendment go over.

Mr. STANFIELD. I hope the Senator will not object to the amendment. It is only a clarifying proposition.

Mr. SMOOT. The limit is \$1,200. There is no change in the amount of the annuity.

Mr. KING. I thought it was an extension or increase.

Mr. STANFIELD. Oh, no; it is simply to clarify the language of the bill.

Mr. KING. Very well. I have no objection.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. DALE. I offer the committee amendment, which I send to the desk.

The PRESIDENT pro tempore. The Clerk will state the proposed amendment.

The READING CLERK. On page 7, line 23, after the word "rendered," insert the words "if less than six months."

Mr. KING. Let the Clerk read the text as amended.

Mr. SMOOT. May we have the amendment completed first?

Mr. DALE. The whole amendment was not read.

The PRESIDENT pro tempore. The Clerk will continue the reading of the amendment.

The READING CLERK. In the same line, line 23, strike out the words "time in excess of" and insert in lieu thereof the word "if," and in line 24, after the word "months," insert the words "or more."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. SMOOT. Now let it be read, and then I think Senators will see the reason for the changes. They merely clarify the meaning of the section.

The PRESIDENT pro tempore. The Clerk will read the text as amended.

The reading clerk read as follows:

Provided, That in determining the number of years of service for the purpose of computing annuities hereunder fractional parts of a year in respect to the aggregate service rendered for less than six months shall be disregarded and if six months or more shall be computed as a year.

The PRESIDENT pro tempore. Without objection, the text as amended is agreed to.

Mr. DALE. I offer the following committee amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from Vermont offers an amendment, which will be stated.

The READING CLERK. On pages 7 and 8, strike out the proviso beginning in line 24, page 7, and including lines 24 and 25 on page 7 and lines 1 and 2 on page 8.

Mr. STANFIELD. This is simply to conform to the \$1,800 proposition we agreed to just a moment ago.

Mr. FLETCHER. The Senator is proposing to change the committee amendment as printed.

Mr. STERLING. It in effect asks the Senate to disagree to the committee amendment. That is the effect of it.

Mr. FLETCHER. As it is printed in the bill?

Mr. STERLING. Yes.

Mr. SMITH. Is this to amend the committee amendment?

Mr. SMOOT. It is really to reject the amendment that has been proposed. The committee amendment at the bottom of page 7 should be disagreed to.

The PRESIDENT pro tempore. The amendment now offered by the Senator from Vermont is the equivalent of disagreeing to the amendment printed in the bill.

Mr. FLETCHER. When that amendment was reached it was passed over.

The PRESIDENT pro tempore. The Chair is advised that the amendment has been passed over under objection; so the amendment will not be taken up.

Mr. DALE. Do I understand the former proposal was passed over?

The PRESIDENT pro tempore. The present occupant of the chair is so advised.

Mr. SMOOT. Let us clear it up. I ask unanimous consent for a reconsideration of the action of the Senate in passing over the amendment.

The PRESIDENT pro tempore. If the objection is withdrawn and the amendment proposed in the bill by the committee is disagreed to that will be the end of it. Unless there is objection that will be the order.

Mr. SMOOT. Can the clerk tell who objected?

The PRESIDENT pro tempore. The Chair is informed that the junior Senator from Utah [Mr. KING] asked to have it go over. Does the junior Senator from Utah withdraw his objection?

Mr. KING. As I understand—

The PRESIDENT pro tempore. Does the junior Senator from Utah withdraw his objection?

Mr. KING. Having accepted other amendments, in order properly to coordinate the measure, this amendment ought to be disagreed to, and I withdraw any objection to that being done.

The PRESIDENT pro tempore. Without objection, the order to pass the amendment over is withdrawn, and the amendment will be disagreed to.

Mr. DALE. Mr. President, I offer the committee amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 9, line 9, it is proposed to strike out:

In determining the aggregate period of service upon which the annuity is to be based, the fractional part of a month, if any, in the total service shall be eliminated.

Mr. SMOOT. This amendment is in conformity with the amendment which was offered to section 3. It is exactly the same amendment.

Mr. SMITH. It is to eliminate fractional parts of a month.

The PRESIDENT pro tempore. Is there objection to the amendment? If not, the amendment will be agreed to.

Mr. DALE. I offer the committee amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Vermont will be stated.

The READING CLERK. On page 15, in lines 12 and 13, it is proposed to strike out the words "the fourth month next following the passage of this act" and to insert "July, 1925."

The PRESIDENT pro tempore. Is there objection to this amendment?

Mr. SMOOT. This is a new amendment; but, as I gather from the reading of it, it is simply to conform to the action heretofore taken.

Mr. DALE. That is all.

Mr. FLETCHER. Instead of beginning on the 1st of July, why not make the language conform to section 1, which reads:

That beginning on the first day of the second month next following the passage of this act.

Mr. KING. That would be better.

Mr. DALE. I will accept that amendment, so far as I may do so.

Mr. SMITH. It seems to me that would be better.

Mr. SMOOT. That would make it uniform.

Mr. FLETCHER. I think we had better make the language correspond with the first section.

The PRESIDENT pro tempore. The amendment as proposed to be modified by the Senator from Florida will be stated.

The READING CLERK. On page 15, line 12, it is proposed to strike out the word "fourth" and to insert the word "second," so that it will read:

That beginning on the first day of the second month next following the passage of this act—

Mr. FLETCHER. I move that amendment instead of the committee amendment.

Mr. DALE. Very well.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DALE. I offer the committee amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 15, line 17, beginning with the words "The Secretary," it is proposed to strike out lines 17, 18, 19, 20, 21, and 22 down to and including the words "Treasury Department" in line 23 and to insert in lieu thereof the following:

The amount so deducted and withheld from the basic salary, pay, or compensation of each employee shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States.

The PRESIDENT pro tempore. Is there objection to this amendment?

Mr. KING. Is that amendment merely administrative?

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. The Chair hears no objection to the amendment.

Mr. SMOOT. Please have the Secretary again state the amendment, Mr. President.

The PRESIDENT pro tempore. The amendment will be again stated.

The READING CLERK. On page 15, beginning in line 17, it is proposed to strike out "The Secretary of the Treasury shall cause the said amounts to be withheld from all specific appropriations for the particular salaries or compensation from which the deductions are made and from all allotments out of lump-sum appropriations for payments of such salaries or compensation for each fiscal year, and said sums shall be transferred on the books of the Treasury Department" and in lieu thereof to insert "The amount so deducted and withheld from the basic salary, pay, or compensation of each employee shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States," so as to read:

The amount so deposited and withheld from the basic salary, pay, or compensation of each employee shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of the "civil-service retirement and disability fund"—

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. DALE. I offer the committee amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 17, line 4, after the words "United States," it is proposed to insert "or Federal farm loan bonds."

Mr. SMOOT. Let that amendment go over, Mr. President.

Mr. STANFIELD. Mr. President—

Mr. KING. We might want to give the power to invest in other securities of the Government.

Mr. DALE. The amendment merely proposes to allow investment in Federal farm loan bonds.

Mr. FLETCHER. I think that is a very good provision.

Mr. McKELLAR. I think that a splendid provision and it ought to be adopted.

Mr. FLETCHER. If adopted it would afford an additional market for farm-loan bonds.

Mr. SMITH. On what page does that amendment come in?

The PRESIDENT pro tempore. The amendment will be again stated.

The READING CLERK. On page 17, line 4, after the words "United States" it is proposed to insert "or Federal farm-loan bonds," so that it will read:

That the Secretary of the Treasury shall invest from time to time, in interest-bearing securities of the United States or Federal farm-loan bonds, such portions of the "civil service retirement and disability fund"—

Mr. DALE. I will say to the Senator from South Carolina, as the language now reads, these funds can not be invested in Federal farm-loan bonds.

Mr. SMOOT. I ask that that amendment go over for tonight. I am rather inclined to think the amendment is a good one, but I desire that it shall go over for to-night.

Mr. DALE. Very well.

The PRESIDENT pro tempore. Objection is made, and the proposed amendment will be passed over.

Mr. DALE. I offer the committee amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Vermont will be stated.

The READING CLERK. On page 17, line 11, it is proposed to strike out the words "Secretary of the Treasury" and in lieu thereof to insert the words "Comptroller General."

The PRESIDENT pro tempore. Is there objection to the consideration of the amendment? The Chair hears none, and the amendment is agreed to.

Mr. DALE. Mr. President, I offer another amendment on behalf of the committee.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 18, it is proposed to strike out, beginning with line 8 down to line 2, on page 19, as follows:

Each executive department, and each independent establishment of the Government not within the jurisdiction of any executive department, shall establish and maintain such record as will enable it to determine the amount deducted within each fiscal year from the basic salary, pay, or compensation of each employee within its jurisdiction to whom this act applies. When such employee is transferred from one office to another a certified abstract of his official record shall be transmitted to the office to which the transfer is made.

When application is made to the Commissioner of Pensions for return of deductions and accrued interest, as provided in this section, such application shall be accompanied by a certificate from the proper officer showing the complete record of deductions, by fiscal years, and other data necessary to the proper adjustment of the claim.

The Commissioner of Pensions, with the approval of the Secretary of the Interior, shall establish rules and regulations for crediting and reporting deductions and for computing interest hereunder.

And in lieu thereof to insert:

There shall be established and maintained in the General Accounting Office such record as will enable it to determine the amount deducted within each fiscal year from the basic salary, pay, or compensation of each employee to whom this act applies, and the interest thereon as prescribed by the act shall be computed and credited under such rules as the Comptroller General may prescribe, and each executive department and each independent establishment not within the jurisdiction of any executive department shall discontinue the keeping of such record of deductions made on and after January 1, 1926.

Applications for the return of deductions with accrued interest shall be made to the General Accounting Office, accompanied by a certificate from the proper officer showing the amount of deductions for such number of months immediately preceding the making of the application as may be required by the Comptroller General.

Mr. WADSWORTH. Mr. President, may I ask the Senator in charge of the bill if this amendment, taking it with one or two others which I think I have heard stated from time to time, will tend to place the Comptroller General in the attitude of an administrative officer?

Mr. STANFIELD. Not at all.

Mr. SMOOT. It merely relates to accounts.

Mr. STANFIELD. It has to do only with keeping the records. The amendment takes away from the scattered administrative department the work of keeping the records and concentrates the work in the General Accounting Office.

Mr. SMOOT. I will say to the Senator that all accounts ought to be kept by the Comptroller General's office. The records referred to in the amendment have been scattered around in the different departments, but if they are transferred to the Comptroller General all of the accounting will be done in one place.

Mr. WADSWORTH. Is the Senator sure that that is the place where it should be done?

Mr. STANFIELD. Every pay roll is under the Comptroller General.

Mr. SMOOT. This is one of the amendments that I had not considered.

Mr. WADSWORTH. Does anybody else disburse this money before the Comptroller General passes upon it?

Mr. STANFIELD. He has to approve all pay rolls before they are paid.

Mr. WADSWORTH. I am merely anxious to see that the Comptroller General remains merely an auditing officer.

Mr. STANFIELD. That is exactly what the amendment proposes to do.

Mr. WADSWORTH. The amendment does not go beyond that?

Mr. STANFIELD. No.

Mr. KING. Mr. President, I should like to make an inquiry. I am afraid that the amendment, as I understood it, will invest the Comptroller General with the power to determine, if not the rate of interest, the time when the interest shall be computed and credited if there is no other provision in the bill to the contrary.

Mr. STANFIELD. There is.

Mr. SMOOT. There is. The original law fixes the rate at 4 per cent, computed annually, and the Comptroller can not change that at all.

Mr. KING. However, the language of the amendment just offered by the Senator from Vermont would seem to give the comptroller the power to determine when the interest shall be computed and credited to the various accounts.

Mr. DALE. How that shall be done is prescribed in the act.

Mr. KING. If it is merely a clerical or perfunctory duty which is determined and circumscribed by a prior statute I have no objection.

The PRESIDENT pro tempore. The Chair hears no objection, and without objection the amendment is agreed to.

Mr. DALE. I offer the following committee amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 21, in line 18, after the words "Commissioner of Pensions" it is proposed to insert the following—

Mr. SMOOT. I will ask that that go over to-night.

Mr. KING. Let the amendment be read, in any event.

The PRESIDENT pro tempore. The amendment will be read.

The READING CLERK. On page 21, line 18, after the words "Commissioner of Pensions" it is proposed to insert "or the Comptroller General," and in the same line to strike out the word "he" and insert the word "either."

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. Yes; I ask that that go over. So that the Senate may know exactly why I object to that amendment, I will say I desire to have section 13 stricken entirely out of the bill.

The PRESIDENT pro tempore. Objection is made, and the proposed amendment will be passed over.

Mr. DALE. I offer the following committee amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 24, in line 2, it is proposed to strike out the word "fourth" and insert the word "second."

The PRESIDENT pro tempore. Is there objection to the consideration of the amendment?

Mr. KING. I will ask the Senator from Florida if that conforms to his amendment?

Mr. FLETCHER. It does.

Mr. SMOOT. That is in conformity with the other amendment.

The PRESIDENT pro tempore. The Chair hears no objection, and the amendment is agreed to.

Mr. SMOOT. Now I ask that the bill may be laid aside.

Mr. TRAMMELL. Mr. President, I should like to ask if an employee who retires from the service or who is discharged is entitled to a refund of the contributions made by such employee to the retirement and pension fund?

Mr. STANFIELD. The law provides that the employee shall be entitled to a return of the contributions he has made when he leaves the service.

The PRESIDENT pro tempore. The bill will go over.

Mr. KING. Mr. President, I ask unanimous consent, in view of the fact that many amendments to the bill have been made, that there may be a reprint of the bill, so that when it is considered again we may know just exactly its status.

Mr. STANFIELD. I think I shall have to object to that if it will involve any delay beyond to-morrow.

Mr. KING. The bill can be reprinted to-night.

Mr. SMOOT. It will be here to-morrow.

Mr. KING. I am not making the request for any purpose of delay.

Mr. STANFIELD. I do not want any delay.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

CLAIMS OF ASSINIBOINE INDIANS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 7687) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate and enter judgment in any claims which the Assiniboiné Indians may have against the United States, and for other purposes, asking for a conference with the Senate on the disagreeing votes of the two Houses thereon, and appointing conferees on the part of the House.

Mr. HARRELD. I move that the Senate insist on its amendments, and agree to the conference asked by the House of

Representatives, the conferees on the part of the Senate to be appointed by the Chair.

The PRESIDENT pro tempore. Without objection—

Mr. TRAMMELL. Mr. President, I object.

Mr. PEPPER. Mr. President—

The PRESIDENT pro tempore. Objection is made.

Mr. PEPPER. Mr. President, I desire to make a parliamentary inquiry. What is the order of business under the unanimous-consent agreement?

The PRESIDENT pro tempore. The Chair has just laid before the Senate a message from the House of Representatives.

Mr. PEPPER. May I further inquire what is the status of the third of the three measures which under the unanimous-consent agreement were to be taken up to-night?

The PRESIDENT pro tempore. It has the next status, but the Chair feels that he has a right to lay a message from the House of Representatives or a message from the President before the Senate at any time.

Mr. PEPPER. I hope the Chair will understand I was not questioning that, but I was inquiring what the order was subsequent to the matter which the Chair is now disposing of.

SEVENTEENTH INTERNATIONAL CONGRESS AGAINST ALCOHOLISM (S. DOC. NO. 204)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State, together with its accompanying report of the delegates of the United States to the Seventeenth International Congress Against Alcoholism, held at Copenhagen, Denmark, in August, 1923.

CALVIN COOLIDGE.

THE WHITE HOUSE,
Washington, February 19, 1925.

Mr. WILLIS. Mr. President, I ask that the report which has just been handed down be printed as a Senate document and that the report and the accompanying papers be referred to the Committee on Foreign Relations.

The PRESIDENT pro tempore. Is there objection?

Mr. WADSWORTH. Under the rule, does it not have to go to the Committee on Printing?

The PRESIDENT pro tempore. If objection is made, the order will not be entered.

Mr. WADSWORTH. I just ask for the enforcement of the rule.

The PRESIDENT pro tempore. Objection is made.

Mr. HEFLIN. Mr. President, I understood that part of it was to be printed as a document and the other part was to be referred to the committee. Was not that the understanding?

Mr. MOSES. The message must be printed.

The PRESIDENT pro tempore. The message must be printed, and the papers will be referred to the Committee on Foreign Relations.

Mr. HEFLIN. The Senator from Ohio asked that it be printed as a Senate document.

The PRESIDENT pro tempore. Objection was made to that request.

Mr. HEFLIN. Objection was made?

The PRESIDENT pro tempore. Yes.

Mr. HEFLIN. Who made the objection?

Mr. WADSWORTH. I did.

TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF GEORGE WASHINGTON (S. DOC. NO. 205)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on the Library and ordered to be printed:

To the Congress of the United States:

In accordance with the wishes of the Commission for the Celebration of the Two Hundredth Anniversary of the Birth of George Washington, I hereby transmit to the Congress its first report.

CALVIN COOLIDGE.

THE WHITE HOUSE, February 19, 1925.

EDUCATION OF PERSIAN STUDENTS IN THE UNITED STATES (S. DOC. NO. 206)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and with the accompanying paper, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a communication from the Secretary of State with regard to the utilization, for the education of Persian students in the United States, of certain funds received and to be received from the Persian Government in a sum not to exceed \$110,000, which are being paid by that Government in reimbursement of the expenses incurred in connection with the return to the United States on the U. S. S. *Trenton* of the remains of the late Vice Consul Robert W. Imbrie, who was killed in Teheran on July 18, 1924.

It is my earnest hope that the Congress will see fit to authorize the setting aside of all funds received from the Persian Government on this account, not to exceed \$110,000, to be spent for educational purposes as aforementioned under such conditions as the Secretary of State may prescribe. Such action by the Congress will tend to foster friendly relations between the United States and Persia and will be in line with the precedent already sanctioned by the Congress in the case of the Boxer indemnity fund.

In view of the fact that one-half of the \$110,000 has already been received and as the balance is expected shortly to be paid by the Persian Government, I trust that the Congress will grant the necessary authority at the present session in order that the funds in question may not lie idle during the coming year.

CALVIN COOLIDGE.

THE WHITE HOUSE,
Washington, February 19, 1925.

NATIONAL BANKING AND FEDERAL RESERVE SYSTEM

The PRESIDENT pro tempore. The next order under the unanimous-consent agreement is Senate bill 3316, being a bill to amend an act entitled "An act to provide for the consolidation of national banking associations," and so forth.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3316) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes, which has been reported from the Committee on Banking and Currency, with amendments.

Mr. BROOKHART. I submit an amendment intended to be proposed to the pending House bill, which I ask to have lie on the table and be printed.

The PRESIDENT pro tempore. That order will be made.

Mr. HARRELD. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oklahoma will state it.

Mr. HARRELD. What was done with my motion to insist on the Senate amendments and agree to the conference, and that conferees be appointed?

The PRESIDENT pro tempore. It can only be taken up by unanimous consent. Objection was made.

Mr. HARRELD. I ask unanimous consent.

Mr. CURTIS. Mr. President—

Mr. TRAMMELL. I object, Mr. President.

The PRESIDENT pro tempore. The Senator from Kansas.

Mr. CURTIS. The Senator has objected. I was just going to ask the Senator not to insist, because the unanimous-consent agreement does not permit that.

Mr. TRAMMELL. Mr. President, may I have the floor for a moment?

The PRESIDENT pro tempore. The Senator from Florida.

Mr. TRAMMELL. Mr. President, I dislike very much to object to the motion made by the Senator from Oklahoma [Mr. HARRELD], but there is still fresh within my memory the fact that on yesterday, when I submitted a simple resolution calling upon the Federal Trade Commission to transmit to the Senate a report which had already been compiled, information which had already been gathered together in regard to the oil industry and prices, the Senator from Oklahoma objected to it. He saw fit to smother that information, to which the Senate is entitled, and to which the country is entitled, and, by right of his prerogative merely as one Senator, to say that we shall not have that information.

Although on the day before the Senator attempted to defend the oil companies, the refineries, attempted to defend the excessive and arbitrary increase in the price of gasoline, and took refuge behind the cloak of the fact that these matters had been investigated, when we asked for the report he exercised

his prerogative as one Senator, and objected, and attempted to smother that information.

Now, somebody else can object. It is more important to the American people to get this information, and try to devise means whereby they can check this practice and custom of the oil companies in pyramiding the price of gasoline, without, as I believe, any justifiable reason, than it is to have the little bill in which the Senator is so interested passed at this time. That is why I object, Mr. President.

Mr. PEPPER and Mr. HEFLIN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. HEFLIN. Mr. President—

The PRESIDENT pro tempore. The Chair has recognized the Senator from Pennsylvania.

Mr. HEFLIN. I have asked for recognition four times, and I thought I was entitled to it.

The PRESIDENT pro tempore. The Chair did not hear the Senator from Alabama, and did hear the Senator from Pennsylvania.

Mr. PEPPER. Mr. President, I understand that the business before the Senate is the consideration of Senate bill 3316, Order of Business 634.

The PRESIDENT pro tempore. That bill is before the Senate now.

Mr. PEPPER. I desire to call the attention of the Senate to the fact that the Senate bill now before the body was originally identical with a House bill which has since passed the House, has been messaged to the Senate, has been reported out by the Committee on Banking and Currency with certain amendments, and is on the calendar. I desire to ask unanimous consent to substitute for the Senate bill the consideration of House bill 8887, Order of Business 1096.

Mr. ROBINSON. Mr. President, I point out to the Senator that under the agreement he is entitled to consider either or both bills. The Senate agreed by unanimous consent to consider both the Senate bill and the House bill; so the Senator, I think, may take up either.

Mr. HEFLIN. Mr. President—

Mr. PEPPER. I yield to the Senator from Alabama.

Mr. HEFLIN. I do not desire to discuss this matter, but what I rose to speak about a moment ago was pertinent to what the Senator from Florida said. He submitted a resolution asking for an investigation of the gasoline companies. He wanted to know why they were increasing the price so rapidly upon the American consumer. He was not able to get action upon that resolution. He was told that the Federal Trade Commission had already investigated the subject. He then asked to have their report submitted to the Senate, and the Senator from Oklahoma, as I understand, objected to that.

Mr. HARRELD. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield to the Senator from Oklahoma.

Mr. PEPPER. Mr. President, I think I have the floor.

Mr. HARRELD. Will the Senator yield to me for a moment?

Mr. PEPPER. I shall be glad to yield to the Senator from Oklahoma.

Mr. HARRELD. I want to ask the Senator if he does not know that under the law the Senator from Florida [Mr. TRAMMELL] has a right to ask the Federal Trade Commission for this information by telephone at any minute and get, by special messenger, the information he asked for in the resolution introduced yesterday?

Mr. HEFLIN. I want the Senator to have the right to order the Federal Trade Commission to furnish that information by resolution of this body, if he wants to do it. Why should he be driven into a booth somewhere and obliged to ask and beg somebody to send him information that he, as a Senator in this body, has a right to demand?

Mr. HARRELD. I ask the Senator if he does not know that that information has already been printed in the form of a report, and that it only needs to be asked for to be sent over here by special messenger and obtained in two minutes and a half?

Mr. HEFLIN. Why did the Senator from Oklahoma object, then?

Mr. HARRELD. I objected because the Senator from Florida refused to substitute that resolution for his other resolution. That is the reason why I objected.

Mr. HEFLIN. So the Senator, first, has assumed the attitude of denying the Senate the right to have the investigation made, and then he has taken the attitude of denying a Senator the right to have this commission transmit to the Senate what it does know about it.

Mr. HARRELD. I objected because it is absolutely useless.

Mr. PEPPER. Mr. President—

Mr. TRAMMELL. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Florida?

Mr. PEPPER. I shall be glad to yield for a question upon the matter before the Senate.

Mr. TRAMMELL. If the Senator will pardon me, when the Senator from Oklahoma has asserted here that I have been derelict in exercising due diligence in this matter, does not the Senator think that I may answer? It will take only two minutes, if the Senator will yield to me.

Mr. PEPPER. Mr. President, I wish to show courtesy to the Senator, but I am very anxious to make progress with the matter, which under the unanimous-consent agreement is the business before the Senate.

Mr. TRAMMELL. If the Senator will pardon me, after he permitted the Senator from Oklahoma to make an onslaught on me, does he not think that it is proper that I should have just a minute to answer him? Is not that fairness?

Mr. PEPPER. I hope the Senator will be very brief. I shall be very glad to yield.

Mr. TRAMMELL. Mr. President, with the Senator's permission I will say that I sought to get that information. I did telephone to the Federal Trade Commission to get all the information I could. I was unable to get it. I was informed that the report had been made to the President, and that he had transmitted it to the Attorney General, and that they did not feel like releasing it. Therefore, I came to the only body that I thought had authority to request that the report be transmitted to the Senate. That is the fact in regard to it.

Mr. HARRELD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Oklahoma?

Mr. HARRELD. Just one moment.

Mr. PEPPER. I must decline to yield further.

Mr. HARRELD. I just want to say—

The PRESIDENT pro tempore. The Senator from Pennsylvania yields for a question only.

Mr. HARRELD. I want to ask the Senator a question.

Mr. PEPPER. Mr. President, I must decline to yield.

The PRESIDENT pro tempore. The Senator from Pennsylvania has the floor.

Mr. PEPPER. Mr. President, the measure before the Senate has been drafted—

Mr. HARRELD. Mr. President, I rise to a question of personal privilege. I think I have a right to reply to the Senator from Florida as a matter of personal privilege.

The PRESIDENT pro tempore. The Senator can not rise to a question of personal privilege while a Senator is occupying the floor.

Mr. PEPPER. Mr. President, the measure before the Senate has been drafted in an effort to bring about equality of opportunity between National banks and State banks. The national banks of the country are suffering greatly from the rigidity of the national banking act as compared with the flexibility of the laws of the several States. This measure undertakes to make certain changes in the national banking act, and in a few instances in the Federal reserve act, with a view to giving the national banks a better chance in the competition for business as between themselves and the institutions operating under State charters.

The measure has 18 sections. Most of them deal with matters which will give rise to little controversy. For example, in the first section it is provided that it shall no longer be necessary for a State bank desiring to consolidate with a national banking association first to go through the expensive and troublesome intermediate step of converting itself into a national banking association and then consolidating with the national bank.

The section has the effect of permitting consolidation by the State bank directly with the national banking association, under provisions which safeguard the rights of stockholders, and which are to the effect that the notice and other regulations shall be at least as drastic as those required by the law of the State in which the consolidation takes place.

The second section substitutes for the present 99-year charter of national banks an indeterminate charter. The value of this to national banks is very great, because it enables them to take long-time trusts, which at the present time they are regarded as disqualified from taking because of the short term of their charters. There is no loss of control, because Congress by general or special law may revoke the charter as heretofore, and the Comptroller of the Currency may bring

suit to revoke the charter. It is a mere measure of convenience, without loss of administrative or legislative control.

Mr. KING. Mr. President, would it come within the Dartmouth College case at all?

Mr. PEPPER. My understanding of the Dartmouth College decision is such that the question could not arise between the Federal Government and a corporation existing under Federal law, because it is only the States that are prohibited from impairing the obligation of contracts.

Mr. KING. Simply the principle as to whether or not, if there were no reservation in the charter, the Government could subsequently abrogate the charter or shorten the term, because there might be contractual relations which might be impaired by the act of Congress in abrogating or modifying the charter.

Mr. PEPPER. I take it there is no contractual obligation, that Congress by general or special law may revoke or modify the charter of a national banking association as well if this measure becomes law as at present.

The third section deals with the tenure of real estate, and subtracts the word "immediate" from the present requirement that the real estate shall be such as is requisite for the immediate needs of the banking association. Senators will understand that in many instances it is desirable to acquire real estate adjacent to the bank beyond its immediate needs, but for the purpose of making an advantageous rounding out of its holdings.

The fourth section relaxes the present provisions respecting the amount of capital with which national banks can be organized in those cases only in which the bank is organized in the outlying districts of populous cities.

The fifth section legalizes the existing practice in accordance with which national banks may declare stock dividends.

The sixth section creates by law the office of "chairman of the board," an office which is found to be of practical convenience in the administration of the affairs of national banks and for which at present there is no legal provision.

The seventh and eighth sections of the bill are those which have especial importance because they deal with the subject of branch banking.

The eighth section provides that national banks situated in municipalities may hereafter establish branch banks within the limits of the municipality in which the parent bank is established, provided there is in force in the State in which the municipality exists a State law, regulation, or usage with official sanction permitting State institutions to have branches. But even if a State law, regulation, or usage permits state-wide branch banking the provision of this bill is so limited that the national bank in that State may establish branches only within the limits of the municipality in which it is situated.

Senators are aware that there is a great conflict of opinion among intelligent bankers respecting the wisdom and desirability of branch banking. There are those who are opposed to branch banking altogether. There are those who believe that state-wide branch banking is desirable. This measure is an attempt to compromise that difference of opinion so far as it affects national banks by giving to national banks, as I have said, the right to have branches, but only within the limits of the municipality in which the parent is situated, and the expression "limits of the municipality" is defined in the act to mean the corporate limits of the municipality, excepting in those cases in which the Comptroller of the Currency shall find that contiguous cities, towns, boroughs, or villages in fact form one commercial community with the municipality in which the parent bank is situated, in which case, and in which case only, "limits of the municipality" is taken to include the total area of those contiguous towns, cities, villages, or boroughs.

There is a limitation upon the number of branches which may be established, dependent upon the population of the municipality. None may be established in a municipality of less than 25,000 inhabitants; one may be established in a municipality with a population of between 25,000 and 50,000; two in a municipality with a population between 50,000 and 100,000; and above 100,000, in the discretion of the comptroller. All these branches are to be subject, as fully as the parent bank, to the supervisory power of the Comptroller of the Currency.

So much for the branches to be established in the future. It remains to call attention to the fact that in virtue of past consolidations between State banks and national banks it happens in many instances that the State bank has come into the consolidation with existing branches. This measure will permit a national banking association which, under a State law, regulation, or usage, has such branches at the date of this act, acquired by past consolidation with a State bank authorized

to have branches, to retain them. In other words, the purpose of the act is not to disintegrate an existing situation in that regard.

I call attention also to the fact that where State banks are converted into national banks it sometimes happens that the State bank at the time of the conversion has one or more branches existent. It is provided in this measure that these branches may be retained, as in the case of consolidations, upon the theory that there should be no disturbance of an existing status. But saving branches that exist under laws in force at the time this law goes into effect, if the Congress in its wisdom shall pass it, there may be no branches established in the future by national banks save within the limits of the municipality and subject to the restrictions as to population I have already mentioned.

Mr. KING. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. KING. Does not the Senator think that the measure as he is now expounding it discriminates against a number of banks in the municipalities? I understood the Senator to say that the comptroller might determine how many in a municipality might have branch banks, so that if there are, say, half a dozen national banks, and the comptroller determines that only one or two or three should be permitted to have branch banks, obviously there would be a discrimination against the residue.

Mr. PEPPER. The Comptroller of the Currency has the discretion as to how many branches he will allow to a single national bank in municipalities having more than 100,000 people, but in municipalities with populations between 25,000 and 50,000 a national bank—and that means every national bank—is entitled to one; in municipalities with a population between 50,000 and 100,000, two; and in municipalities with a population above 100,000, subject only to the discretion of the comptroller. I may say, if the Senator will permit me, that the purpose of this measure being to give equality of opportunity to the national banks as compared with State banks, there is little danger that the Comptroller of the Currency will stifle them in their right to establish branches in any case where commercially it is the wise thing to do.

Mr. President, the principal difficulty about the bill, from the point of view of many Senators on the floor, was removed when the committee reported in favor of eliminating section 9 of the bill as it passed the House, which was a section requiring member banks in the Federal reserve system, State banks, or trust companies to relinquish branches to which they were entitled under State law as a condition of admission to the Federal reserve system. That has been deemed by the committee an unwise attempt to cripple the Federal reserve system as a means of giving to national banks the equality of opportunity which it is the object of this measure to confer. The committee have reported an amendment striking out that section of the bill as it passed the House.

The PRESIDENT pro tempore. May the Chair make an inquiry of the Senator from Pennsylvania, whether the Senator asks unanimous consent to have the bill as it passed the House taken up instead of the Senate committee bill on the same subject?

Mr. PEPPER. I did, but the Senator from Arkansas made a statement in regard to the matter—

Mr. ROBINSON. Mr. President, the unanimous consent already granted gives the Senate the right to consider either or both bills.

Mr. PEPPER. I desired to be perfectly safe about it, so I asked unanimous consent, as suggested by the Chair; but the Senator from Arkansas satisfied me that the Senate had before it both measures under the unanimous-consent agreement.

I am most reluctant to prolong my remarks on this bill, unless by so doing I can clear up doubts in the mind of any Senator. I am very anxious to get a vote upon it.

Mr. HEFLIN. Mr. President, I want to suggest to the Senator that we will hardly be able to get a vote on this bill tonight, because some of us want to look into it a little more, and probably have something to say on the subject.

Mr. JONES of Washington. Mr. President, may I ask the Senator a question?

Mr. PEPPER. I yield to the Senator from Washington.

Mr. JONES of Washington. As I understand it, this bill would permit a national bank, in a State where branch banks are permitted by State law, to establish branch banks, but in a State where there is no law permitting branch banking, even though the State might hereafter pass such a law, these banks would not be permitted to establish branches?

Mr. PEPPER. The Senator is correct if as to the first part of his statement it is understood he means that the national banks may establish branches within the limits of a municipality in a State which at the time of the passage of this bill authorizes by law, regulation, or usage, with official sanction, State institutions to have such branches.

Mr. JONES of Washington. I understand that.

Mr. PEPPER. I may say, Mr. President, that the limitation on the branches given by this bill to institutions in States which have legislated up to but not after the date of the passage of this act results from the so-called Hull amendment, which was introduced in the House, which prevailed with the House, and is regarded by those who are most earnest in their opposition to branch banking as a very vital feature of this legislation, the reason being, as Senators will see, that as long as the limitation to which the Senator from Washington calls attention exists it will not be worth while for advocates of branch banking to start campaigns in State legislatures to get State branch banking privileges from those legislatures, because it will be too late. Only the States which have legislated up to the date of the enactment of this bill are the States to which the provisions of the bill are applicable.

Mr. JONES of Washington. As I understand it, the Senate committee has accepted the so-called Hull amendment?

Mr. PEPPER. That is the fact. The Senate committee regards this measure as a long step in the direction of liberalizing the practices of national banks within the limits of safety. We went as far as we thought we could go consistently with success in the Senate and in the House, and we believe that it is essential to the welfare of this bill that some limitation should remain in it.

Mr. JONES of Washington. As I understand it, in my State branch banks are not now permitted, so that if that condition should continue when this bill is passed, then, even though the State might hereafter permit branch State banks, national banks would not be permitted to establish branches?

Mr. PEPPER. That is the fact.

RECESS

The PRESIDENT pro tempore. The hour of 11 o'clock having arrived, under the unanimous-consent agreement heretofore entered into the Senate will stand in recess until 12 o'clock to-morrow.

Thereupon the Senate (at 11 o'clock p. m.) took a recess until to-morrow, Friday, February 20, 1925, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, February 19, 1925

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou art never far away but ever present. Thy providence uttereth speech day by day. May the constancy of such care make urgent appeal to our sense of obligation. It is Thy right to demand of us integrity of purpose and rectitude of conduct. Help us, O Lord, to obediently accept Thy sovereignty. Stimulate us with wisdom and clear vision in the discussion of the needs and the problems of our country. At all times give us the mind of Him who was always merciful, gracious, and considerate of all men. Amen.

The Journal of the proceedings of yesterday was read and approved.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. DAVIS of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12033) making appropriations for the government of the District of Columbia, and other activities, chargeable in whole or in part against the revenues of said District, for the fiscal year ending June 30, 1926, and for other purposes, with Senate amendments thereto, disagree to all of the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to take from the Speaker's table the District of Columbia appropriation bill, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, in the Senate the Federal contribution has been increased from \$9,000,000 to \$11,000,000. The bill was framed in the House entirely upon the theory that the compromise arrived at a